

IN THE UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

UNITED STATES OF AMERICA,

Government,

vs.

ROD BLAGOJEVICH,

Defendant.

No. 08 CR 888

Chicago, Illinois

May 17, 2011

9:53 o'clock a.m.

VOLUME 16  
TRANSCRIPT OF PROCEEDINGS  
BEFORE THE HONORABLE JAMES B. ZAGEL  
AND A JURY

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1 (The following proceedings were had out of the  
2 presence of the jury in open court:)

3 THE CLERK: Please remain seated we will  
4 resume with the case on trial.

5 MR. NIEWOEHNER: Good morning, Your Honor.  
6 Chris Niewoehner, Reid Schar and Carrie  
7 Hamilton for the government.

8 MR. GOLDSTEIN: Good morning, your Honor.  
9 Aaron Goldstein, Elliott Riebman, Lauren  
10 Kaeseberg and Shelly Sorosky on behalf of Mr.  
11 Blagojevich.

12 MR. NIEWOEHNER: Your Honor, there's two  
13 things with Mr. Krozel's testimony that we thought  
14 we should just bring up before the jury came in.

15 First, yesterday Mr. Krozel started to  
16 describe a subpoena that the government gave to a  
17 road builders organization. It actually wasn't --  
18 that particular part of his testimony wasn't  
19 responsive to the question that he was asked and I  
20 wasn't sure if that's why Your Honor -- there was an  
21 objection, your Honor sustained it, but we did want  
22 to let your Honor know what the purpose -- I do  
23 expect to ask him questions about that subpoena this  
24 morning, so I just wanted to let Your Honor explain  
25 why we were doing that.

1 THE COURT: Right. You adequately explained  
2 my ruling because of the complete disconnect.

3 MR. NIEWOEHNER: Yes. I recognized that,  
4 too, Your Honor.

5 The reason we're going to get into it is  
6 because in the last trial Mr. Krozel was asked  
7 questions that related to it. Mr. Krozel's  
8 testimony at this trial and I expect it would be  
9 this morning was that he never told Lon Monk he  
10 would not raise money for the governor and he's  
11 explained his reasons why, he was concerned that if  
12 he that the 6-billion-dollar program wouldn't  
13 happen.

14 And at the last trial the defense tried to  
15 impeach him and they asked him if he had, in fact,  
16 pulled out a statement he had made in the 302 and  
17 impeached him with the suggestion that he, in fact,  
18 had told Monk he was not going to raise any money.  
19 Well, that conversation that I'm referring to was  
20 specific to this road builders subpoena.

21 Krozel and Monk talked about the fact that  
22 the road builders organization had gotten a subpoena  
23 and Krozel told Monk that it would be hard for  
24 people in road builders, they didn't want their  
25 names in the papers, so he indicated it would be

1 hard to raise money from them. He did not make an  
2 overall global statement that he would not raise any  
3 money. But that's why I have to, anticipating that  
4 the defense will do that again, I do intend to  
5 elicit from Mr. Krozel sort of the circumstances of  
6 that conversation.

7 THE COURT: This is the only item on your  
8 agenda or is there another?

9 MR. NIEWOEHNER: There's one other, as well.  
10 The second one was, we're again going to move on  
11 cross-examination to preclude the defense from going  
12 into a number of areas with Mr. Krozel similar to  
13 what we did with Mr. Magoon, his personal wealth.  
14 The wealth of Prairie Materials, that was an item  
15 that was mentioned in the opening statement that  
16 Prairie Materials had a half a billion dollars in  
17 sales. For the same reasons Your Honor excluded  
18 that with Mr. Magoon we think is irrelevant for  
19 Mr. Krozel.

20 In addition to that, while we clearly  
21 elicited information about fundraising that Krozel  
22 did with others in the industry, we don't think that  
23 information is relevant as to other applicable  
24 candidates that construction companies may have over  
25 the years contributed in the past or Mr. Krozel's

1 prior conversations with the previous governor or  
2 with an Illinois State senator, or anything along  
3 those lines.

4           We think that the proper procedure will be if  
5 the defense has any intention of getting into that,  
6 it would be an offer of proof and Your Honor can  
7 determine what, if anything, should be asked of  
8 Mr. Krozel.

9           MR. GOLDSTEIN: Your Honor, there's no need  
10 for an offer of proof. This was done in the last  
11 trial. It was admitted into evidence. In fact,  
12 there was an objection, we discussed it at sidebar,  
13 the government let it in, it was relevant evidence  
14 then, it's relevant evidence now. The offer of  
15 proof does nothing because Your Honor has heard the  
16 first trial in which Your Honor allowed all this  
17 evidence to come in and now, all of a sudden, it's  
18 not allowed in.

19           There was no motion in limine before trial as  
20 to Prairie's wealth and how much business it does.  
21 We say that in opening and now, all of a sudden,  
22 once it's said in opening, they want to prevent it  
23 from coming in. They're changing the rules in the  
24 middle of the game.

25           This was done in the first trial without a

1 problem, there was no motion addressing it before  
2 this trial, and now we say it in opening and all of  
3 a sudden the record has to be removed. This isn't  
4 trying to contradict what we're saying, this is  
5 trying to remove facts.

6 And as far as the impeachment, I mean, the  
7 government is giving us permission to impeach  
8 Mr. Krozel and we certainly intend on doing it, I  
9 don't think it's a completely accurate statement of  
10 what was said in the 302, Krozel was very clear he  
11 was not going to fundraise for the governor, but  
12 that's neither here nor there, if we're allowed to  
13 go into the impeachment, we should be able to.

14 As far as the government fronting it, if  
15 we're allowed to go into it, they should do it in  
16 their redirect. They don't have to front everything  
17 in anticipation.

18 MR. SOROSKY: If I could ask something, Your  
19 Honor, just briefly.

20 THE COURT: Sure.

21 MR. SOROSKY: I don't know what the  
22 government plans are, they certainly haven't told  
23 me, but it appears they have, as good lawyers, and  
24 they are good lawyers, very diligently gone over the  
25 transcripts of the first trial, and as we lawyers



1 often say, all this side scored a granular sugar  
2 here, we don't want that to happen again, let's go  
3 before the judge and prevent them from doing it.  
4 And that's what's occurring here. And it clearly  
5 infringes on Mr. Blagojevich's right to a fair trial  
6 and effective cross examination by his counsel.

7           Secondly, secondly, when the allegation is  
8 extortion and the allegation is that the governor is  
9 allegedly extorting or attempting to extort a  
10 contribution from someone, I think it's a  
11 significant fact that the person that the governor  
12 is talking to is a wealthy man, he works for a  
13 multimillion-dollar company, this company in the  
14 usual course of their business contributes to  
15 political people, has in the past contributed to the  
16 governor, and part of this company's way of doing  
17 business is contributing favorable public officials  
18 to get favorable legislation passed that helps their  
19 industry, and I think that's a significant factor in  
20 getting a fair trial.

21           THE COURT: Anybody have anything else to  
22 say?

23           MR. NIEWOEHNER: Two small factual points. I  
24 don't believe in the first trial there was anything  
25 mentioned about the half billion dollars of Prairie,

1 I think that's a new fact.

2 MR. GOLDSTEIN: That's not true. That's not  
3 true.

4 MR. NIEWOEHNER: Well, Mr. Goldstein said  
5 there was an objection last time and there was a  
6 sidebar. There was, but the government withdrew its  
7 objection and Your Honor didn't rule on the  
8 objection last time, so there was no prior ruling.

9 MR. SCHAR: Judge, the only thing I would add  
10 from a legal argument perspective, you don't get to  
11 open with improper defenses without having moved  
12 ahead of time, which they easily could have done and  
13 say, "here are all the things we're going to do in  
14 opening statement in our defense case," and try to  
15 get a ruling from Your Honor that it's proper or  
16 improper. And then once you opened on it, somehow  
17 they get to bootstrap an improper argument through  
18 the questioning of a witness.

19 They had the opportunity to address whatever  
20 they thought were proper legal argument before  
21 opening statement. They opened on a variety of  
22 things, including government misconduct, which they  
23 actually had been barred, and they went ahead and  
24 did it, some we objected to, some got through. Now  
25 we're in the questioning of witnesses and the fact

1 that they made the decision to open with an improper  
2 defense doesn't insulate the inadmissibility of some  
3 of the questions and issues that they want to  
4 address.

:58AM

5 THE COURT: Okay, the subpoena is fine.  
6 with respect to Krozel, I do want an offer of  
7 proof, and I'll tell you why I want an offer of  
8 proof. One reason is that I get a lot of objections  
9 stated in the most abstract terms possible. In this  
10 case, it was clearly interferes with the defense.

:58AM

11 This is actually not an objection, it's like the  
12 start of an objection followed by a list of specific  
13 ways in which he does. Don't offer it, stand up in  
14 court and say you are depriving us of our right to  
15 confront witnesses, to cross-examine witnesses.  
16 It's true that I sustained objections to cross  
17 examinations, but you simply don't want to show how  
18 you were hurt, and the way you do that is do offers  
19 of proof.

:58AM

20 More importantly, we just had an of proof,  
21 and the offer of proof decimated the factual premise  
22 for many of the questions you intended to ask a  
23 witness.

:59AM

24 Now, when you do that, you demonstrate to the  
25 Court that you're just taking a flier, "oh, let's

:59AM

1 see if this thing, you know, just toss it up there,  
2 I don't know if it's true, don't have any particular  
3 reason to ask the question, but maybe I'll get a  
4 good answer," and by doing that and demonstrating  
5 that that's what you were doing with respect to  
6 Magoon, you put me in a position where I want to see  
7 exactly what it is you want to get in before I make  
8 a decision on whether you can. And you did it in  
9 the first trial, too.

10           It's a perfect choice of strategy that you  
11 can make, but there's a price you pay for it, and  
12 the price you pay for it is, I can't be sure that  
13 you have a reasonable basis to put certain  
14 questions. And I don't attribute this to some  
15 deliberate subversive effort. In the case of  
16 Magoon, some of the stuff that he did put in the  
17 offer of proof you could have found out for yourself  
18 before trial. But I'm concerned that you just --  
19 there's a real risk that all you're going to do is  
20 throw stuff in the wall and hope that it sticks,  
21 and, in the context of this case, I'm not going to  
22 let you do it.

23           Also, there is a certain amount of  
24 tongue-in-cheek speech in the way you present this  
25 stuff to me, because, basically, what was done in

1 the first trial is deemed to be the rules of the  
2 case forever, but that's only for this stuff that  
3 worked in your favor; if it worked against you, all  
4 of a sudden you want a change. I don't blame you  
5 for doing any of this, but I'm not going along with  
6 it.

7           So when you get to Krozel's stuff on personal  
8 wealth, other campaign contributions, we're doing it  
9 by offer of proof first. And you might be  
10 optimistic about this because Magoon didn't go well  
11 for you, Krozel might. And the reason I say that  
12 is, I don't know what he's going to say and I'd like  
13 to know what he's going to say and then I can make a  
14 determination as to whether it's relevant in any  
15 way.

16           Also, the fact that somebody has routinely  
17 contributed to other people, for years and years and  
18 years, does not excuse a different situation where  
19 an individual is feels compelled to make it for  
20 reasons other than the reasons he went into before.  
21 They may not be analogous situations, and since they  
22 may not be analogous you may want to address that,  
23 too, in the offer of proof.

24           There's actually a legal normality to this,  
25 but I'm not going to use it because the crime to

1 which it applies is very remote than the one we're  
2 dealing with today. So, basically, when you get to  
3 that point in cross where you want to talk about his  
4 personal wealth and those other political  
5 contributions, you will ask for a moment outside the  
6 presence of the jury.

7 Obviously, it's best, administratively, for  
8 you to do that at the very end, but if it doesn't  
9 fit with what you intend to do on cross-examination,  
10 I'll do it at any time, at in the beginning, in the  
11 middle, at the end, it's your choice.

12 Is there something left unrul'd on?

13 I don't think so.

14 MR. NIEWOEHNER: No, Judge.

15 MR. SOROSKY: Your Honor, if I could just  
16 respond to what you said briefly.

17 THE COURT: Wait, wait. Wait. This is not a  
18 dialogue. That was a ruling.

19 MR. SOROSKY: I understand. I understand.

20 THE COURT: And unless you are going to ask  
21 something that accepts the premise of the ruling, I  
22 wouldn't go and do it.

23 MR. SOROSKY: Well, I just feel I'm compelled  
24 as Mr. Blagojevich's attorney to make one comment on  
25 your ruling.

Krozel - direct by Niewoehner

2615

1 THE COURT: No. You can make a comment on my  
2 ruling, and you can make comment at an appropriate  
3 place, and it's not this courtroom. There's a  
4 perfect place for lawyers to make comments on  
5 rulings that are meaningful and it's on a floor  
6 higher than this one.

7 Thank you.

8 MR. NIEWOEHNER: Should we bring the witness  
9 in, Your Honor?

10 THE COURT: Yeah.

11 (Brief pause).

12

13 (The following proceedings were had in the  
14 presence of the jury in open court:)

15 THE COURT: Please be seated.

16 Do you understand you're still under oath?

17 THE WITNESS: Yes.

18 THE COURT: Please be seated.

19 GERALD KROZEL, GOVERNMENT'S WITNESS,

20 PREVIOUSLY SWORN

21 DIRECT EXAMINATION resumed

22 BY MR. NIEWOEHNER:

23 Q Mr. Krozel, when you testified yesterday you  
24 recall you testified about a meeting you had at  
25 Friends of Blagojevich offices in September, do you

1 recall that?

2 A Yes, I do.

3 q A conversation there about fundraising and the  
4 tollway program?

5 A Yes.

6 q You've also talked yesterday about a phone call  
7 you had on October 22nd of 2008, do you recall that?

8 A Yes.

9 q And the defendant again brought up some of those  
10 same topics?

11 A Yes, he did.

12 q After your October 22nd call with the defendant,  
13 did you ever talk to him again?

14 A No.

15 q I'm going to direct your attention now to  
16 December 9th of 2008.

17 On that date did you speak with an agent of  
18 the Federal Bureau of Investigation?

19 A Yes, I did.

20 q Had you planned to speak with the FBI agents on  
21 that day?

22 A No, I did not.

23 q Where did you speak with the agents?

24 A At my home.

25 q What time did the agents come to your house?



1 A At 6:30 in the morning.

2 q who was with you at your house when the agents  
3 arrived?

4 A My wife.

:08AM

5 q Was anyone else there?

6 A No.

7 q What was your wife's physical condition at that  
8 time?

9 A Not very good.

:08AM

10 q When you say not very good, what do you mean?

11 A She was suffering from -- she was suffering from  
12 undiagnosed neurological problem.

13 q Was your wife physically able to take care of  
14 hers?

:08AM

15 A No, she wasn't.

16 q What did she need your help to do?

17 A Well, everything.

18 q Particularly, could she talk?

19 A She couldn't talk.

:08AM

20 q Could she walk?

21 A No.

22 q Was she basically helpless without you?

23 A Yes.

:09AM

24 q How many of them agents came to your house that  
25 day?

1 A Please repeat the question.

2 q How many FBI agents came to your house on  
3 December 9th?

4 A Two.

:09AM

5 q Did agents tell you about the defendant's arrest  
6 that day?

7 A Yes, they did.

8 q How were you feeling when the agents talked to  
9 you?

:09AM

10 A Frightened.

11 q What were you afraid of?

12 A Because of the timing, they were at my house at  
13 6:30 and they told me that the governor was arrested  
14 at 6:15, fifteen minutes before, I thought they were  
15 coming there to take me away.

:09AM

16 q Were you concerned for your wife if you were  
17 taken away?

18 A Very much so.

19 q What did you want the agents to do?

:09AM

20 A Basically to leave.

21 q Did the agents ask you questions about your  
22 fundraising with defendant?

23 A Yes, they did.

:10AM

24 q Were you asked questions about your September  
25 meeting with the defendant at the campaign office?

1 A Yes, they did.

2 q Were you asked questions about the tollway  
3 program?

4 A Yes.

:10AM

5 q In that interview with the FBI on December 9th,  
6 were you asked any questions about whether you felt  
7 any pressure to raise money for the defendant during  
8 your meeting at the campaign office?

9 A Yes.

:10AM

10 q what did you tell the agents?

11 A No, I didn't have any.

12 q Was that the truth?

13 A No, it wasn't.

:10AM

14 q Did you tell the agents that you thought the  
15 defendant was making a connection between the  
16 tollway program and your fundraising at the meeting?

17 A I don't exactly remember those words.

18 q Did you ever tell the agents about that interview  
19 anything along those lines?

:10AM

20 A I might have implied that, yes.

21 q Did you lie to the agents?

22 A Yes, I did.

23 q Why did you lie to the agents?

:11AM

24 A Well, I was concerned about my wife being  
25 upstairs and there was no way I could communicate

1 with her. When I went upstairs to help her dress, I  
2 told her that there were two agents in the house,  
3 and I knew she was watching the events on television  
4 and she knew they were there and that -- it -- it  
5 was quite difficult.

:11AM

6 q You're testifying today under an immunity  
7 agreement, is that right?

8 A Yes.

9 q What's the only way you can get in trouble with  
10 the law today in your testimony?

:11AM

11 A If I lied. If I lied.

12 q Now, you mentioned your October 22nd conversation  
13 with the defendant, did you continue to talk with  
14 Lon Monk after that October 22nd conversation?

:11AM

15 A Yes, I did.

16 q And I'm going to focus your attention in the time  
17 period between October 22nd and December 9th.

18 About how many times did you speak with Lon  
19 Monk in that time frame?

:12AM

20 A About 2 or 3.

21 q In those conversations, what did Monk say to you?

22 A Well, he was asking me how I'm doing with  
23 fundraising.

24 q At that time were you trying to raise money for  
25 the defendant?

:12AM

1 A No.

2 q Did you tell Monk that you were not going to  
3 raise any money for the defendant?

4 A I did not.

:12AM

5 q Did you bring up any reasons that would be hard  
6 to raise money?

7 A Well, I did say a couple of times maybe that, you  
8 know, our district was being hard hit and conditions  
9 were bad.

:12AM

10 q Did you talk to him about any subpoenas that had  
11 been issued?

12 A Yes, I did.

13 q What did you tell Monk in that regard?

:12AM

14 A I told him that subpoenas were issued to the road  
15 builders and that really stopped people from wanting  
16 to contribute in any way.

17 q Were you referring to the people in the road  
18 builders?

:13AM

19 A Just the road builders, yes, because there were  
20 other people that did not do work with the state.

21 q So were there other construction companies that  
22 were not in the road builders organization?

23 A Correct.

:13AM

24 q Could you have raised money from those companies  
25 that were not in the road builders organization?

Krozel - cross by Goldstein

2622

1 A I could've.

2 q So between your September meeting and December  
3 9th of 2008, did you ever tell Monk that you were  
4 not going to raise any money for the defendant?

5 A I did not.

6 q Why not?

7 A Because I was afraid that -- that with the  
8 personal relationship Lon had with the governor,  
9 that the 6-billion-dollar program would not go  
10 through.

11 q I direct your attention to December 9th.

12 Had you raised any funds for the defendant by  
13 that date?

14 A No, I did not.

15 q By that date, had there been any announcement  
16 from the defendant that there would be a  
17 6-billion-dollar program?

18 A There had not been.

19 MR. NIEWOEHRER: Nothing further, Your Honor.

20 May I proceed, Your Honor?

21 THE COURT: You may.

22 MR. GOLDSTEIN: Thank you.

23 CROSS EXAMINATION

24 BY MR. GOLDSTEIN:

25 q Good morning, Mr. Krozel.

Krozel - cross by Goldstein

2623

1 A Good morning.

2 Q Now, yesterday you testified that you always  
3 thought there was a connection between the amount  
4 you were going to raise and the project itself, is  
5 that correct?

6 A Yes.

7 Q And I think you were then asked the question what  
8 the connection was and you said "if I didn't raise  
9 any money, I felt there wouldn't be a tollway bill,"  
10 is that correct?

11 A That's true.

12 Q And you went further and you said you thought if  
13 you didn't raise funds, the 6-billion-dollar program  
14 wouldn't become reality, is that correct?

15 A That's true.

16 Q Now, I want to take you back to this December 9th  
17 conversation you had with the FBI, okay?

18 A Yes.

19 Q Now, the FBI came to your home at 6:30 in the  
20 morning, is that correct?

21 A Yes.

22 Q And it was special agents Jonathan Rouske,  
23 R-o-u-s-k-e, and Brian Etchell, E-t-c-h-e-l-l, that  
24 came to your house, correct?

25 A I don't remember.

Krozel - cross by Goldstein

2624

1 q There were two males special agents, is that  
2 correct?

3 A Yes.

4 q And they identified themselves and they said they  
5 were with the FBI, correct?

6 A Yes.

7 q And they said they wanted to ask some questions  
8 about Rod Blagojevich, is that correct?

9 A Yes.

10 q And they informed you that Rod had just been  
11 arrested, is that correct?

12 A Yes.

13 q And you invited them into your house, right?

14 A They asked to come in because they had subpoenas.

15 q And you said come on in, is that correct?

16 A I don't know what I said at that time.

17 q well, you let them in, right?

18 A They were in the house.

19 q Okay. So you sat down at your kitchen table and  
20 talked to these people?

21 A Yes, I did.

22 q And how long was this conversation?

23 A An hour, maybe.

24 q Did you tell the agents the problems you were  
25 having with your wife and maybe if they can come



Krozel - cross by Goldstein

2625

1 back a little later? Did you tell them that?

2 A No --

3 MR. NIEWOEHNER: Objection, Your Honor.

4 BY THE WITNESS:

5 A -- I was too frightened.

6 THE COURT: The objection is sustained.

7 BY MR. GOLDSTEIN:

8 Q You had mentioned you were frightened, is that  
9 right?

10 A Yes.

11 Q You were frightened by the FBI?

12 A Yes.

13 Q They came to your house and they frightened you?

14 A They terrified me.

15 Q They terrified you?

16 A Yes.

17 Q You were terrified by the Federal Bureau of  
18 Investigation, is that correct?

19 A Yes.

20 Q And you didn't tell them you were terrified, did  
21 you?

22 MR. NIEWOEHNER: Objection, Your Honor.

23 THE COURT: The objection is sustained.

24 BY MR. GOLDSTEIN:

25 Q while you were sitting down talking to them, they

1 asked you questions about the case, right?

2 A Yes.

3 q And they were taking notes while you were giving  
4 them answers, right?

5 A Yes.

6 q And you told them background information, right?  
7 About yourself?

8 MR. NIEWOEHNER: Objection.

9 BY THE WITNESS:

10 A I answered their questions.

11 BY MR. GOLDSTEIN:

12 q You answered their questions?

13 MR. NIEWOEHNER: Objection, Your Honor.

14 THE COURT: The question is a little vague.

15 BY MR. GOLDSTEIN:

16 q Well, they didn't just ask you if you felt  
17 pressured, did they? They asked you other  
18 questions, right?

19 A There was so much going on at that time. If you  
20 ask me every word that was said, I just don't  
21 remember every word that was said.

22 q But you do remember that you told them that you  
23 did not feel any pressure from either Governor  
24 Blagojevich or Lon Monk to raise money for the  
25 governor, is that correct?

1 A I don't know if they said governor or Lon Monk or  
2 one or the other. I do believe they said the  
3 governor, but I did answer that question that I did  
4 not feel pressure.

:17AM

5 Q And then you went further and you said you told  
6 them that you never felt the tollway bill depended  
7 upon your fundraising efforts, is that correct?

8 A I don't remember that.

:18AM

9 Q Now, you just testified on direct examination  
10 what you told the FBI, is that correct?

11 A Yes.

:18AM

12 Q Just so we're clear, you're testimony now is you  
13 don't remember whether you told the FBI that you  
14 never felt that the tollway bill depended upon your  
15 fundraising efforts? Did you or did you not say  
16 that to the FBI on December 9th, 2008?

17 A Nobody has to go through what I went through,  
18 counsel.

19 Q What is that?

:18AM

20 A I don't remember those exact words. I told them  
21 that I did not feel any pressure.

22 Q So is your memory exhausted as to whether you  
23 said that there was no connection between the  
24 tollway bill and your fundraising efforts?

:18AM

25 A I do not remember telling the FBI that.

Krozel - cross by Goldstein

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1 q If I showed you the FBI report, would that help  
2 refresh your recollection whether you said it?

3 A Yes.

4 MR. GOLDSTEIN: May I approach, Your Honor?

5 THE COURT: Sure.

6 BY MR. GOLDSTEIN:

7 q I'm showing you Defendant's Exhibit Gerald Krozel  
8 December 9th, 2008 interview with the FBI.

9 And this is a document that, as you see, is a  
10 recitation of the interview that you had with them,  
11 is that correct?

12 A Yes.

13 q Okay. And if we can turn to Page 3 of that  
14 document and I've highlighted it. If you could read  
15 to yourself that last sentence that starts "Krozel  
16 stated ..."

17 (Brief pause).

18 BY MR. GOLDSTEIN:

19 q Have you read it?

20 A Yes, I have.

21 q Is your memory refreshed as to whether you told  
22 the FBI on December 9th that you never felt that the  
23 tollway bill depended upon your fundraising efforts?  
24 Do you recall saying that to the FBI?

25 A I don't recall saying that. Again, I just wanted

Krozel - cross by Goldstein

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1 to get them out of my house.

2 q And your testimony is that you were lying to the  
3 FBI?

4 A I did lie to the FBI, yes.

5 q And have you been charged with lying to the FBI?

6 MR. NIEWOEHNER: Objection.

7 THE COURT: The objection is sustained.

8 BY MR. GOLDSTEIN:

9 q You said that you received immunity from the  
10 federal government, is that correct?

11 A That is true.

12 q And as you understand the immunity, you have to  
13 tell the truth, is that correct?

14 A Yes.

15 q And you understand you don't need immunity, you  
16 still have to tell the truth when you testify, you  
17 understand that?

18 MR. NIEWOEHNER: Objection.

19 BY THE WITNESS:

20 A I understand.

21 THE COURT: The objection is overruled.

22 BY MR. GOLDSTEIN:

23 q Who, to your understanding, has to determine  
24 whether you're telling the truth or not?

25 A I am telling the truth.

Krozel - cross by Goldstein

2630

1 q I'm asking who you understand to be the  
2 determiners of whether you're telling the truth or  
3 not and whether you get charged for perjury?

4 Is it me? Is it them? Who determines you're  
5 telling the truth, Mr. Krozel?

6 MR. NIEWOEHNER: Objection.

7 THE COURT: The objection is sustained.

8 BY MR. GOLDSTEIN:

9 q Now, you said it was the FBI that frightened you,  
10 right?

11 A Yes.

12 q Okay. And the FBI also did interviews with you  
13 with the U.S. Attorneys, is that correct?

14 A Yes.

15 q And it's those same people that are giving you  
16 immunity, is that correct?

17 MR. NIEWOEHNER: Objection.

18 THE COURT: The objection is sustained.

19 BY MR. GOLDSTEIN:

20 q Now, Mr. Krozel, you talked a little bit about  
21 yourself. You said you were the chairman of the  
22 Illinois Division of the American Concrete Pavement  
23 Association, is that correct?

24 MR. NIEWOEHNER: Objection.

25 THE COURT: Sustained.

Krozel - cross by Goldstein

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1 BY MR. GOLDSTEIN:

2 q Well, you're involved in the road builders and  
3 that lot, is that correct?

4 MR. NIEWOEHNER: Objection.

5 THE COURT: Sustained.

6 BY MR. GOLDSTEIN:

7 q You testified on direct examination about this,  
8 is that correct?

9 THE COURT: You know, if I sustained it  
10 twice, maybe you should seek some other information.

11 BY MR. GOLDSTEIN:

12 q You've been involved in the material business, is  
13 that correct?

14 A Yes.

15 q Okay. And it was about 52 years you've been  
16 involvement in the materials business?

17 A Yes.

18 q And you testified on direct examination while the  
19 government was asking you questions, that you were  
20 the vice president of Prairie Materials, is that  
21 correct?

22 A Yes.

23 q Now, you talked about this September 18th meeting  
24 in which it was you, Rod, Lon Monk, and Robert  
25 Blagojevich, is that correct?

Krozel - cross by Goldstein

2632

1 A Yes.

2 q And is it fair to say that before you came to the  
3 meeting, you didn't want to go to this meeting, is  
4 that correct?

5 A Correct.

6 q You felt uncomfortable coming to the meeting, is  
7 that correct?

8 A Yes.

9 q And you had stopped fundraising for Rod before  
10 this meeting, is that correct?

11 A Yes.

12 q And coming into the meeting, you don't want to do  
13 anymore fundraising for Rod, is that correct?

14 A That's right.

15 q And you testified on direct examination when the  
16 government asked you questions, that you had  
17 fundraised for Rod in the past, is that correct?

18 A Yes.

19 q It was several hundreds of thousands of dollars  
20 that you had fundraised for Rod in the past, is that  
21 correct?

22 A Yes.

23 q Is it fair to say that you were one of the first  
24 fundraisers for Rod when he first ran for governor,  
25 is that correct?



Krozel - cross by Goldstein

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1 MR. NIEWOEHNER: Objection, Your Honor.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 Q Now, one of the reasons that you were  
5 uncomfortable with talking to Rod, you weren't happy  
6 with the family relationship, particularly his  
7 father-in-law, is that correct?

8 MR. NIEWOEHNER: Objection.

9 THE COURT: Sustained.

10 BY MR. GOLDSTEIN:

11 Q Well, when you first came in to the Friends of  
12 Blagojevich office on September 18th, the first  
13 thing you all talked about was these personal  
14 matters, is that correct?

15 MR. NIEWOEHNER: Objection, Your Honor.

16 THE COURT: The objection is sustained.

17 BY MR. GOLDSTEIN:

18 Q What did you talk about when you first came to  
19 the Friends of Blagojevich office?

20 MR. NIEWOEHNER: Objection, Your Honor.

21 THE COURT: This is really not relevant. The  
22 objection is sustained.

23 BY MR. GOLDSTEIN:

24 Q You also talked about whether -- you talked about  
25 the Senate President Emil Jones retiring, is that

1 correct?

2 MR. NIEWOEHNER: Objection, Your Honor;  
3 relevance.

4 THE COURT: Sustained.

5 BY MR. GOLDSTEIN:

6 q Did you talk about the tollway plan?

7 A Yes.

8 q And you said that Rod had talked about announcing  
9 the 1.8 billion dollar plan, is that correct?

10 A Yes.

11 q Now, he told you that he was going to announce  
12 this plan sometime in October or November, is that  
13 correct?

14 A Yes.

15 q And to your knowledge, this plan was announced,  
16 is that correct?

17 A It was.

18 q And you said you talked about the  
19 6-billion-dollar plan, is that correct?

20 A Yes.

21 q And you testified that Rod told you he would  
22 announce it in January, is that correct?

23 A Yes.

24 q Did Rod actually tell you that he was going to  
25 announce it in January?

Krozel - cross by Goldstein

2635

1 A Yes.

2 q Mr. Krozel, you signed a statement in this case,  
3 is that correct?

4 A Yes.

5 q And this is a statement that was written and you  
6 signed, is that right?

7 A Yes.

8 q And this is a statement that you read and  
9 testified to under oath in the grand jury, is that  
10 correct?

11 A Yes.

12 q And in your statement you didn't indicate that  
13 Rod said January 1st was the date for this  
14 6-billion-dollar program?

15 A Can I please see what you're referring to?

16 q Certainly.

17 MR. GOLDSTEIN: May I approach?

18 THE COURT: Sure.

19 (Brief pause)

20 BY MR. GOLDSTEIN:

21 q I'm showing you Defendant's Exhibit Statement of  
22 Gerald Krozel.

23 Do you recall that document?

24 A Yes.

25 q What is it?

Krozel - cross by Goldstein

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1 A It's my statement in front of the grand jury.

2 q And this is a statement you're requesting me to  
3 give to you for you to look at?

4 A Yes.

5 q Okay. And in that statement, did you indicate  
6 that Rod said January 1st was when the 6 billion  
7 dollar plan would be announced?

8 A Can I briefly read through this, please?

9 q Certainly.

10 (Brief pause).

11 BY THE WITNESS:

12 A I did say -- I did not mention January, but I did  
13 say --

14 BY MR. GOLDSTEIN:

15 q Well, let me ask another question.

16 You did not mention January in that  
17 statement, is that correct?

18 A I did not mention the month of January.

19 q Okay. So you didn't put in your statement --

20 May I take the statement back, please.

21 You didn't put in your statement that  
22 January 1st is what Rod told you this announcement  
23 would be made, is that correct?

24 A The --

25 q Is that correct?

Krozel - cross by Goldstein

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1 A That's correct.

2 Q Now, Rod also talked to you about the capital  
3 bill, is that correct?

4 A Yes.

:28AM

5 Q And he indicated to you that if the capital bill  
6 wasn't passed, then they would potentially work on  
7 the 6-billion-dollar program, is that correct?

8 A Yes.

:29AM

9 Q And you said that Rod mentioned the  
10 6-billion-dollar program and talked about some roads  
11 that were to be impacted on the 6-billion-dollar  
12 program, do you recall talking about that?

13 A Yes, he did.

:29AM

14 Q Okay. And you mentioned that he discussed in the  
15 6-billion-dollar program I-294 and I-57, is that  
16 correct?

17 A Yes.

:29AM

18 MR. GOLDSTEIN: May I publish the  
19 announcement, the Government Exhibit? May I publish  
20 that, Your Honor?

21 THE COURT: Objection or no objection?

22 MR. NIEWOEHNER: No, Your Honor.

23 THE COURT: No objection?

:29AM

24 MR. NIEWOEHNER: To the publishing of the  
25 exhibit.

1 THE COURT: Do you have an objection to the  
2 publishing of the exhibit?

3 MR. NIEWOEHNER: No, Your Honor.

4 THE COURT: Good.

5 Publish it.

6 (Exhibit published to the jury.)

7 BY MR. GOLDSTEIN:

8 q So you said in the 6-billion-dollar program, the  
9 governor talked about I-294 and I-57, is that right?

10 A Yes.

11 q Okay. And you recognize this document as the  
12 announcement of the 1.8 billion-dollar program, is  
13 that correct?

14 A Yes.

15 q Now, if you could look to the middle of that  
16 announcement where it says "projects and the  
17 governor's new Illinois tollway congestion relief  
18 program," do you see that?

19 A Yes.

20 q And then as it goes down it talks about I-294 in  
21 the second program, the tri-state tollway I-294, and  
22 then the I-57 interchange, is that correct?

23 A Yes.

24 q So that's what was indicated in the announcement  
25 from the 1.8 billion-dollar program, is that

Krozel - cross by Goldstein

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1 correct?

2 A Yes.

3 MR. GOLDSTEIN: Can you take it down? Thank  
4 you.

5 (Brief pause)

6 BY MR. GOLDSTEIN:

7 q You said it didn't make any sense to you to delay  
8 the 6-billion-dollar program, is that correct?

9 A No.

10 q I'm sorry?

11 A It should not have been.

12 q It should not have.

13 You understood that a lot of the politicians  
14 would be less motivated to work for the capital bill  
15 if the 6-billion-dollar program was announced, is  
16 that correct?

17 MR. NIEWOEHNER: Objection, Your Honor.

18 THE COURT: Sustained.

19 BY MR. GOLDSTEIN:

20 q Well, you talked about the capital bill. The  
21 capital bill was a much bigger program than any of  
22 these tollway programs, is that correct?

23 A Yes.

24 q The tollway program would just entail the tolls,  
25 is that correct? The toll roads, is that correct?

1 A Yes.

2 q And the toll roads primarily were Northern  
3 Illinois, is that correct?

4 A Yes.

:32AM

5 q And the capital bill would involve not just roads  
6 but involve schools and hospitals and other  
7 infrastructure, is that correct?

8 A It was an infrastructure bill, correct.

:32AM

9 q And Rod talked to you about his work to try and  
10 get the capital bill done, is that correct, during  
11 this meeting?

12 MR. NIEWOEHNER: Objection, Your Honor.

13 THE COURT: The objection is sustained.

14 BY MR. GOLDSTEIN:

:32AM

15 q Well, you testified that no bill, no capital bill  
16 had passed or come close to passing, is that  
17 correct? Did you testify to that?

18 A I did.

:32AM

19 q Okay. And you understood that the capital bill  
20 had passed the Senate twice, is that correct?

21 A Yes.

22 q Okay. And it was the House that wasn't passing  
23 it, is that correct?

24 A Yes.

:32AM

25 q And it was Mike Madigan that wasn't calling the



Krozel - cross by Goldstein

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1 bill, is that correct?

2 MR. NIEWOEHNER: Objection, Your Honor.

3 THE COURT: Sustained.

4 BY MR. GOLDSTEIN:

:33AM

5 Q Now, the government asked you a question and it  
6 was when the governor said the reason he wanted to  
7 delay the larger announcement, the 6-billion-dollar  
8 program, he told you so he could work on the capital  
9 bill in 2008, do you recall that question?

:33AM

10 A Yes.

11 Q Okay. And the government asked you did you  
12 believe him, do you recall being asked that  
13 question?

14 A I did not believe the governor.

:33AM

15 Q Okay. So your testimony is, you did not believe  
16 that the governor wanted to work on the capital  
17 bill, is that your testimony?

18 MR. NIEWOEHNER: Objection.

19 THE COURT: Overruled.

:33AM

20 BY THE WITNESS:

21 A would you please repeat the question.

22 BY MR. GOLDSTEIN:

23 Q Is your testimony that you did not believe that  
24 Rod wanted to work on the capital bill?

:33AM

25 A I believe that a capital bill could not be passed

1 in 2008.

2 q And that was based on your experience and your  
3 knowledge with the legislature and the bills going  
4 on at that time, is that correct?

5 A That's true.

6 q But the government asked you a question whether  
7 you believed that Rod wanted to work on the capital  
8 bill and you said you didn't believe him, is that  
9 correct?

10 MR. NIEWOEHNER: Objection.

11 THE COURT: Sustained to the form of the  
12 question.

13 BY MR. GOLDSTEIN:

14 q The question you were asked was, when the  
15 governor said --

16 THE COURT: Don't ask him about his memory of  
17 the question he was asked. What you wish to do, I  
18 believe, is try to test his answers, so why don't  
19 you deal with what it was that he said.

20 BY MR. GOLDSTEIN:

21 q You said you didn't believe a capital bill would  
22 be passed in 2008, correct?

23 A That is correct.

24 q Did you believe that Rod was working on the  
25 capital bill in 2008?

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1 MR. NIEWOEHNER: Objection, Your Honor.

2 THE COURT: You may answer that.

3 BY THE WITNESS:

4 A How do I know what the governor was thinking?

5 BY MR. GOLDSTEIN:

6 Q That's why I'm asking you, because you testified  
7 that you didn't believe him.

8 A That's right.

9 Q That he wasn't working on it.

10 A That's right. Because I knew it could not be  
11 passed.

12 Q You knew it couldn't be passed, but your  
13 testimony now is, you don't know what was in his  
14 mind, whether he was working on it, is that correct?

15 A Well, if he told me he was -- he's working on a  
16 capital bill, that doesn't necessarily mean I have  
17 to believe him.

18 Q When he said he was working on the capital bill,  
19 you understood he was working with former U.S.

20 Speaker of the House Danny Hastert?

21 MR. SCHAR: Objection.

22 THE COURT: You are asking about his state of  
23 mind, and his state of mind is that he didn't  
24 believe what the governor said, and anything else  
25 would, at least the path you're going down, is you

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1 want to argue with him and I'm not going to allow  
2 you to ask argumentative questions.

3 BY MR. GOLDSTEIN:

4 q Mr. Krozel, are you aware of the Illinois Works  
5 Commission?

6 MR. NIEWOEHNER: Objection, Your Honor.

7 THE COURT: Sustained.

8 BY MR. GOLDSTEIN:

9 q Are you aware of who Danny Hastert is?

10 A Yes.

11 q Okay. Are you aware of who Glynn Poshard is?

12 MR. NIEWOEHNER: Objection, your Honor.

13 THE COURT: Sustained.

14 BY MR. GOLDSTEIN:

15 q If we could just skip ahead for a second.

16 Mr. Krozel, you said you had a call with  
17 Mr. Blagojevich on October 22nd, 2008, is that  
18 correct?

19 A Yes.

20 q And in this call you talked about the capital  
21 bill, among other things, is that correct?

22 A He mentioned it.

23 q And Mr. Blagojevich mentioned to you about Danny  
24 Hastert, is that correct?

25 A Yes.

Krozel - cross by Goldstein

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1 q Now, back to the September 18th conversation, you  
2 said that Rod talked about the ethics bill, is that  
3 correct?

4 A Please repeat that.

:37AM

5 q In the discussion you had with Rod on September  
6 18th, 2008, was the ethics bill discussed?

7 A Yes.

:37AM

8 q Okay. And to your knowledge, on September 18th,  
9 2008, the ethics bill had been passed, is that  
10 correct?

11 A I don't recollect if it was passed, but it was --  
12 it was something that was heavily discussed.

13 q Your testimony yesterday was you thought it had  
14 been passed.

:37AM

15 MR. NIEWOEHNER: Objection.

16 THE COURT: Sustained.

17 MR. GOLDSTEIN:

18 BY MR. GOLDSTEIN:

:37AM

19 q Now, as of September 2008, you understood that  
20 the law at the time allowed contractors to  
21 contribute to the governor, is that correct?

22 MR. NIEWOEHNER: Objection.

23 THE COURT: Overruled.

24 BY THE WITNESS:

:38AM

25 A Repeat the question.

1 BY MR. GOLDSTEIN:

2 q September 2008, you understood that the law  
3 allowed contractors to contribute to fundraise for  
4 the governor for the State of Illinois?

5 A Please that question.

6 q As of September 2008, when you were meeting with  
7 the governor, okay?

8 A Yes.

9 q At that time you understood, in September 2008,  
10 you understood that contractors, people that had  
11 contracts with the state, could contribute to the  
12 governor?

13 A As of September 18th, yes.

14 q Okay. And you understood that on January 1st,  
15 2009, that that could not happen anymore, is that  
16 correct?

17 A That's correct.

18 q And you knew that the road building community had  
19 contracts with the State of Illinois. I think you  
20 mentioned it on direct, is that correct?

21 A Yes.

22 q And Rod asked you for fundraising, is that  
23 correct?

24 A Yes.

25 q He asked you to fundraise for him, is that

1 correct?

2 A Yes.

3 q And he asked you to do it before January 1st,  
4 2009, is that correct?

5 A Yes.

6 q Okay. And you understood fundraising before the  
7 1st of the year was to comply with the law, is that  
8 correct?

9 MR. NIEWOEHNER: Objection, Your Honor.

10 THE COURT: The objection is sustained to the  
11 form of the question.

12

13 BY MR. GOLDSTEIN:

14 q The time period that Rod asked you to fundraise,  
15 which was before January 1, 2009, you understood  
16 that that was legal to do under the law at the time,  
17 is that correct?

18 MR. NIEWOEHNER: Objection, Your Honor.

19 THE COURT: I think it's been asked and  
20 answered.

21 BY MR. GOLDSTEIN:

22 q Now, you talked a little bit about Rod asking you  
23 to fundraise for him, is that right?

24 A Yes.

25 q And that was on September 18th, 2008, is that

1 right?

2 A Yes.

3 q And you had mentioned that you had been a prior  
4 fundraiser for Rod before, is that right?

5 A Yes.

6 q And when he asked you on September 18th -- let me  
7 actually rephrase the question.

8 On September 18th when the fundraising was  
9 discussed, Rod asked you for fundraising, is that  
10 correct?

11 A Yes, he did.

12 q He didn't demand that you fundraise for him, is  
13 that correct?

14 MR. NIEWOEHRER: Objection.

15 THE COURT: The objection is sustained.

16 MR. GOLDSTEIN:

17 BY MR. GOLDSTEIN:

18 q Rod didn't tell you that if you don't fundraise,  
19 he's not going to announce the 1.8 billion-dollar  
20 program? Those exact words, did he tell you that?

21 A Please repeat the question.

22 q Did Rod say exactly, "if you don't fundraise, I'm  
23 not going to announce the 1.8 billion-dollar  
24 program"?

25 A No, he did not say that.



1 q Did he say exactly, "if you don't fundraise, I'm  
2 not going to do the 6 billion dollar program"?

3 A No, he did not say that.

4 q He didn't say that your fundraising efforts is  
5 conditioned -- or the tollway is conditioned upon  
6 your fundraising? He didn't say that, did he?

7 A He did not say that.

8 q Now, you said you left this meeting and you said  
9 someone asked about fundraising, is that what you  
10 testified to?

11 A When I was leaving the meeting, yes.

12 q Who said this?

13 A I said I didn't know.

14 q Okay. Now, after this meeting, you left and went  
15 to your car, is that correct?

16 A Yes.

17 q And you immediately called Richard Olson, is that  
18 right?

19 A Not immediately.

20 q You called him in the car while you were outside  
21 the Friends of Blagojevich office, is that correct?

22 A I might have left the area.

23 q Okay. You got on your phone when you were in  
24 your car, correct?

25 A Yes.

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1 q And you called Richard Olson, right?

2 A Yes.

3 q And he was the president of Prairie, is that  
4 correct?

5 A Yes.

6 q And you called him and asked him if he would meet  
7 with Rod, is that right?

8 A The main reason I called him is because of  
9 another -- another situation.

10 q Besides the other situation, you asked Mr. Olson  
11 when you called him if he would meet with Rod, okay?

12 A I told him I thought it would be a good ide if he  
13 would.

14 q And this was right after the September 18th  
15 meeting at Friends of Blagojevich, is that right?

16 A Yes.

17 q Now, on September 24, 2008, you said you met with  
18 Rod and it was Mr. Olson, as well as yourself, and  
19 Mr. Matson, is that correct? And then Lon Monk, as  
20 well, right?

21 A At what date?

22 q On September 24th.

23 A Well, yeah, it was 7 or 10 days after the 18th  
24 meeting. Yeah, it could be that day.

25 q Okay. And I was correct, it was you, Mr. Matson,

1 Mr. Olson, Mr. Monk, and Mr. Blagojevich at this  
2 meeting, correct?

3 A Yes.

4 Q And that was at the My Way Restaurant, right?

5 A Yes.

6 Q And before you went to this meeting, did Rod tell  
7 you -- or did you tell Rod from not to talk about  
8 fundraising at this meeting?

9 MR. NIEWOEHNER: Objection, Your Honor.

10 THE COURT: The objection is sustained.

11 BY MR. GOLDSTEIN:

12 Q How long was this meeting at the My Way  
13 Restaurant?

14 A Hour, hour and a half.

15 Q Hour, hour and a half.

16 And during this hour, hour and a half  
17 meeting, there was not one mention of fundraising,  
18 is that correct?

19 A No, there was not.

20 Q Rod didn't ask Mr. Olson to fundraise, is that  
21 correct?

22 A No, he did not.

23 Q And Rod didn't connect the tollway project to  
24 fundraising, is that correct?

25 MR. NIEWOEHNER: Objection.

Krozel - cross by Goldstein

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1 THE COURT: I think your first question sort  
2 of took care of this. It's repetitive.

3 BY MR. GOLDSTEIN:

4 Q Now, you said Rod called you on October 22nd,  
5 2008, is that correct?

6 A Yes.

7 Q And about how long was this conversation?

8 A 10 minutes. 5 minutes, 10 minutes.

9 Q Okay. And during this conversation, Rod never  
10 said the money for the roads was conditioned on your  
11 fundraising, is that correct? Those exact words,  
12 did he say that?

13 A No, he did not.

14 Q Did Rod specifically say, "tollway for  
15 fundraising," did you tell you that on this October  
16 22, 2008, phone conversation?

17 A No, he did not.

18 Q Rod didn't specifically tell you "if you don't  
19 get me fundraising, I won't do the road building  
20 project," did he say those specific words?

21 MR. NIEWOEHNER: Objection, Your Honor.

22 THE COURT: You can answer that.

23 BY THE WITNESS:

24 A No, he did not.

25 BY MR. GOLDSTEIN:

1 q Now, the government asked you in direct  
2 examination if you considered Rod a friend, is that  
3 correct?

4 A Yes.

5 q Okay. And you said "not really" or "no," is that  
6 right?

7 A Yes.

8 q Now, on this October 22nd call, you've heard the  
9 tape of this call, is that correct?

10 MR. NIEWOEHNER: Objection, Your Honor.

11 THE COURT: The objection is sustained.

12 BY MR. GOLDSTEIN:

13 q Now, Rod ended this call when you talked to him,  
14 and he said specifically:

15 "Thanks again for your friendship."

16 "Yeah, all, all the best, Jerry. Call me if  
17 you need anything, okay?

18 "okay."

19 "Bye."

20 That's how the conversation ended, is that  
21 correct?

22 MR. NIEWOEHNER: Objection.

23 THE COURT: Sustained.

24 BY MR. GOLDSTEIN:

25 q Now, you had a relationship with the Blagojevich

1 family, is that correct?

2 MR. NIEWOEHNER: Objection, Your Honor.

3 THE COURT: The objection is sustained.

4 BY MR. GOLDSTEIN:

5 Q Now, you said that when Rod asked you for  
6 fundraising, you told him you'd work on it, is that  
7 correct?

8 A Yes.

9 Q And you said at that time your intention was not  
10 to fundraise for Rod, is that right?

11 MR. NIEWOEHNER: Objection, Your Honor.

12 THE COURT: The objection is sustained.

13 BY MR. GOLDSTEIN:

14 Q When you told Rod you were working on it, were  
15 you telling him the truth?

16 A No. I was not working on it.

17 Q And on October -- on October 22nd when you spoke  
18 to Rod about fundraising and you told him you were  
19 working on it, you didn't tell him the truth then,  
20 did you?

21 A I did not tell him the truth then.

22 Q And you said that you were worried that Rod would  
23 not announce the 6-billion-dollar program if you  
24 didn't raise funds, is that correct?

25 A Yes.

1 q Now, on February 12th, 2009, you spoke with the  
2 FBI again, isn't that correct?

3 A If that's the record, yes, that's when I spoke  
4 to.

5 q And at this meeting were FBI agents, is that  
6 correct?

7 A Yes.

8 q And one of the FBI agents that talked to you on  
9 December 9th was there, Special Agent Rouske, is  
10 that correct?

11 MR. NIEWOEHNER: Objection.

12 THE COURT: Sustained.

13 BY MR. GOLDSTEIN:

14 q Mr. Niewoehner was there, as well, when he  
15 interviewed you on February 12th, 2009?

16 A Yes, he was.

17 q And at this meeting you told the FBI and U.S.  
18 Attorney that you were concerned that if you told  
19 Blagojevich that you were not going to raise any  
20 money, Blagojevich would take away the 1.5 billion  
21 dollar program of new tollway money and, as such,  
22 you told Blagojevich you were working on it, did you  
23 make that statement to the FBI and the U.S. Attorney  
24 on February 12th, 2009?

25 A If the FBI says I made that statement, yes, I did

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1 make that statement.

2 Q Would you like to take a look interview?

3 A Yes.

4 MR. GOLDSTEIN: May I approach, Your Honor?

5 THE COURT: You may.

6 (Brief pause)

7 BY MR. GOLDSTEIN:

8 Q I'm showing you Defense Exhibit Gerald Krozel  
9 Interview February 12th, 2009.

10 A Yes.

11 Q Is that the interview you had with the FBI and  
12 U.S. Attorney on February 12th, 2009?

13 A Yes.

14 MR. NIEWOEHNER: Your Honor, I'm going to  
15 object; non-impeaching.

16 THE COURT: The objection is sustained.

17 MR. GOLDSTEIN: Your Honor, he said --

18 THE COURT: No; don't. The objection is  
19 sustained. Put another question.

20 BY MR. GOLDSTEIN:

21 Q Now, as to the statement you made to the FBI, you  
22 indicated that you don't recall if you made that  
23 statement, is that correct?

24 MR. NIEWOEHNER: Objection.

25 THE COURT: The objection is sustained.



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1 BY MR. GOLDSTEIN:

2 q Now, Rod found this 1.8 billion-dollar program on  
3 10/15/08, is that correct? October 15th?

4 A Whatever the date was on that, yes.

5 q It was in October of 2008, to your recollection?

6 A Yes.

7 q And you never contributed or fundraised for Rod  
8 in 2008, is that correct?

9 A That's correct.

10 q And Rod never took away this 1.8 billion-dollar  
11 program, is that correct?

12 MR. NIEWOEHNER: Objection, Your Honor.

13 THE COURT: The objection to scope, the  
14 covering of time scope.

15 BY MR. GOLDSTEIN:

16 q You also said that you did not tell Rod or Lon  
17 Monk that you had no intention of raising money for  
18 Rod, is that correct?

19 A Yes.

20 q Now, you had spoken to Lon Monk several times, is  
21 that right?

22 A Yes.

23 q And you understood that Monk was requesting  
24 fundraising of you on behalf of Rod, is that  
25 correct?

1 A Yes.

2 q And you were aware that because they were close  
3 friends, to your understanding, that any message you  
4 gave to Monk would probable go to Rod, is that  
5 correct?

6 A Yes.

7 q And you called Monk before Thanksgiving of 2008  
8 to meet with him, is that right?

9 A Yes.

10 q And you met with Monk, it was either the Tuesday  
11 or Wednesday before Thanksgiving at the Plush Pub,  
12 is that correct, in Norridge?

13 A Yes.

14 q And you had a fairly long conversation with  
15 Mr. Monk?

16 A I wouldn't say long, but we talked.

17 q About how long? Was it a lunch meeting?

18 A Half an hour.

19 q Half an hour.

20 And you spoke about a variety of issues, is  
21 that correct?

22 A Yes.

23 q And what you left with was, you told Monk that:

24 "There wasn't going to be any money raised for  
25 Blagojevich because people didn't want their

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1 names in the paper and neither do I."

2 Is that correct?

3 A Can I see -- please see what you're referring to?

4 q Certainly.

:52AM

5 MR. GOLDSTEIN: May I approach, Your Honor?

6 THE COURT: You may.

7 BY MR. GOLDSTEIN:

8 q Now, Mr. Krozel, you have testified in this  
9 matter before, is that correct?

:52AM

10 A Yes.

11 q And when you testified before, you testified  
12 under oath, is that correct?

13 A Yes.

:52AM

14 q And you understood that anything you said that  
15 was not true you could be prosecuted for perjury, is  
16 that correct?

17 A Yes.

18 MR. NIEWOEHNER: Objection, Your Honor. Is  
19 this questioning or what are we doing?

:53AM

20 THE COURT: Why don't you just ask the  
21 question.

22 MR. GOLDSTEIN: Okay.

23 BY MR. GOLDSTEIN:

:53AM

24 q I'm showing you the transcript of your prior  
25 testimony, okay, and I want you to look at Page 101,

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1 and if you could look at line 3 and see the question  
2 and see your answer.

3 Just read it to yourself.

4 (Brief pause).

5 BY THE WITNESS:

6 A I did say that.

7 BY MR. GOLDSTEIN:

8 Q Okay. So your testimony is that you told Lon  
9 Monk that:

10 "There wasn't going to be any money raised for  
11 Blagojevich because people don't want their  
12 names in the paper and neither do I."

13 MR. NIEWOEHNER: Could we clarify what  
14 testimony he is talking about?

15 THE COURT: Yeah.

16 BY MR. GOLDSTEIN:

17 Q You testified in your prior testimony in this  
18 matter, correct?

19 A Yes.

20 Q And in your testimony you testified that:

21 ".... there wasn't going to be any money raised  
22 for Blagojevich because people don't want their  
23 names in the paper and neither do I."

24 You testified that you said that on -- right  
25 before Thanksgiving to Lon Monk, is that correct?

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1 A I said those words that were referring to the  
2 Illinois road builders that had contracts with the  
3 state.

4 q Okay. And the message you were communicating was  
5 there was not going to be fundraising for Rod, is  
6 that correct?

7 MR. NIEWOEHNER: Objection, Your Honor.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

10 q And you understood that that message you told Lon  
11 Monk would get to Rod, is that correct?

12 A Yes.

13 q And after that meeting, was the 1.8  
14 billion-dollar program taken back?

15 MR. NIEWOEHNER: Objection, Your Honor.

16 THE COURT: The objection is sustained.

17 BY MR. GOLDSTEIN:

18 q Now, in fact, you had told Monk before in the  
19 spring of 2008 that you weren't going to raise funds  
20 for Rod, is that correct?

21 MR. NIEWOEHNER: Objection, your Honor.

22 THE COURT: Overruled.

23 BY THE WITNESS:

24 A I told him that I personally was not going to  
25 contribute.

1 BY MR. GOLDSTEIN:

2 q And that was in the spring of 2008, is that  
3 correct?

4 A That's correct.

5 q Now, you talked a little bit about your immunity  
6 agreement, is that correct?

7 Is that right?

8 A I didn't understand the question.

9 q You have -- I apologize.

10 You have an immunity agreement with the  
11 government, is that right?

12 A Yes.

13 q And you said that under the agreement, you must  
14 tell the truth or you will be charged with perjury,  
15 is that correct?

16 A Yes.

17 q And you testified to conversation that you had  
18 with Rod, is that right?

19 A Yes.

20 q Do you know what you have immunity for?

21 MR. NIEWOEHNER: Objection, Your Honor.

22 THE COURT: Sustained.

23 BY MR. GOLDSTEIN:

24 q Now, the immunity agreement was done in the form  
25 of a letter, is that correct?

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1 A Yes, it was.

2 Q And that letter was given to you on March 4th,  
3 2009, is that correct?

4 A If it's dated, yes.

:56AM

5 MR. GOLDSTEIN: May I approach, Your Honor?

6 THE COURT: Sure.

7 BY MR. GOLDSTEIN:

8 Q I'm showing you Defendant's Exhibit Gerald Krozel  
9 Immunity Letter.

:56AM

10 Do you recognize that document?

11 A Yes.

12 Q And it's a two-page document, is that correct?

13 A Yes.

14 Q And on the last page it's signed by you, as well  
15 as Mr. Fitzgerald, is that correct?

:57AM

16 A Yes.

17 Q And in the first paragraph of the immunity  
18 agreement it says:

19 "Your attorneys have represented that such  
20 information ..." --

:57AM

21 MR. NIEWOEHNER: Objection, Your Honor.

22 THE COURT: No. No. No. You're not going to  
23 read the immunity letter.

24 MR. GOLDSTEIN: It's just one sentence. I  
25 apologize, Your Honor.

:57AM

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1 THE COURT: Is the one sentence you want to  
2 read in there?

3 MR. GOLDSTEIN: Yes.

4 THE COURT: Show it to me and highlight it.

5 MR. GOLDSTEIN: Okay.

6 (Brief pause). Objection, Your Honor.

7 THE COURT: Sustained.

8 BY MR. GOLDSTEIN:

9 Q Now, in this immunity agreement, you talked about  
10 that you had to tell the truth under the agreement,  
11 is that correct?

12 A Yes.

13 Q And your understand that it's the government that  
14 decides whether you complied with the agreement or  
15 not, is that correct?

16 MR. NIEWOEHNER: Objection.

17 THE COURT: Sustained.

18 BY MR. GOLDSTEIN:

19 Q Mr. Krozel, how many times have you met with the  
20 government?

21 A Ten, twelve times.

22 Q Ten, twelve times.

23 And when are was the last time you met with  
24 the government?

25 A This morning.



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1 q Okay. And you were going over the testimony, is  
2 that correct?

3 A Yes.

4 q And you spoke to them yesterday, as well, is that  
5 right?

6 A Yes.

7 q Now, you and I have not spoken outside this  
8 courtroom, is that correct?

9 A No.

10 q And you're aware that we requested to speak to  
11 you, is that correct?

12 A I beg your pardon?

13 q You're aware that I and the attorneys for  
14 Mr. Blagojevich requested of your attorney to speak  
15 to you about this case, is that correct?

16 A I do remember something, yes, about that.

17 q And you refused to meet with us, is that correct?

18 A I did not meet with you.

19 q Okay. Now, your testimony is that you had, from  
20 September of 2008 to December 9th of 2008, that you  
21 had three conversations with Rod, is that correct?

22 A From September 18th?

23 q Correct.

24 A To when?

25 q To December 9th, 2008.

Krozel - cross by Goldstein

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1 A I had how many conversations?

2 q Three conversations with Rod, is that correct?

3 A I did not.

4 q You did not.

:00AM

5 How many conversations did you have?

6 A Two.

7 q Two.

8 Now, you met with him September 18th,

9 correct?

:00AM

10 A Yes.

11 q You met with him September 24th, correct?

12 A Oh, I'm sorry. Yeah, there were three. At the  
13 My Way Restaurant.

14 q And then there was a phone call?

:00AM

15 A That's the phone call, yes.

16 q And not once did Rod say you must fundraise or  
17 there'll be no tollway project?

18 MR. NIEWOEHNER: Objection, Your Honor.

19 THE COURT: You know, I think this question  
20 has been asked and answered more than once.

:00AM

21 BY MR. GOLDSTEIN:

22 q And in two of those conversations, on the phone  
23 and in the first meeting, Rod asked you for  
24 fundraising, is that correct?

:00AM

25 A Yes.

Krozel - voir dire exam by Goldstein

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1 MR. GOLDSTEIN: Your Honor, I don't know if  
2 this would be a good time to take a break.

3 THE COURT: Sure.

4 THE MARSHAL: All rise.

5 (The following proceedings were had out of the  
6 presence of the jury in open court:)

7 THE COURT: Please be seated in the  
8 courtroom.

9 Ask away.

10 VOIR DIRE EXAMINATION

11 BY MR. GOLDSTEIN:

12 q Mr. Krozel, in 2008 you were the chairman of the  
13 Illinois Division of the American Concrete Pavement  
14 Association, is that correct?

15 A Yes.

16 q And is that a lobbying organization?

17 A Not really.

18 q Does it do lobbying?

19 A Not really.

20 q You were also vice-chairman of the National  
21 American Concrete Pavement Association, is that  
22 correct?

23 A Yes.

24 q And you had been the chairman of the Illinois  
25 division as of 2009 for about 14 to 16 years, is

1 that correct?

2 A Something like that.

3 q And you served on the government affairs  
4 committees of the Illinois Road Builders Association  
5 and the National Ready Mix Concrete Association, is  
6 that correct?

7 A Yes.

8 q And you have been involved politically for  
9 sometime, is that correct?

10 A Yes.

11 q And when I say "politically," do you understand  
12 that to mean fundraising and contributions to  
13 various politicians?

14 A Yes.

15 q And you got your start in 1982, is that correct?

16 A Yes.

17 q Basically you advocate on behalf of the road  
18 building industry as well as the concrete industry,  
19 is that correct?

20 A Yes.

21 q And you fundraise on behalf of those industries?

22 A Yes.

23 q And to quote you, you play both sides, you  
24 contribute to Democrats and Republicans, is that  
25 correct?

1 A Yes, I do.

2 q And your goal is to basically help your industry,  
3 is that correct?

4 A Yes.

:03AM

5 q Now, you're a consultant right now, so you're not  
6 exactly what you once were, but I'm talking about in  
7 2008 and before.

8 A Yes.

9 q You were more active in that.

:03AM

10 A Yes.

11 q Now, you got your start in 1982, that was from a  
12 meeting you had from Governor Thompson, is that  
13 correct?

14 A Yes.

:03AM

15 q And you and others in the road building industry  
16 were trying to get Governor Thompson to build the  
17 Eisenhower expressway or rehabilitate the Eisenhower  
18 expressway in concrete, is that correct?

19 A Only a portion.

:04AM

20 q I'm sorry?

21 A Only a portion of that.

22 q Only a portion.

23 Because it had -- it was being built in  
24 asphalt, is that right?

:04AM

25 A Yes.

1 q So you had a meeting with people from your  
2 industry and Governor Thompson, is that correct?

3 A Yes.

4 q And Governor Thompson told you that you needed to  
5 get politically involved, is that right?

6 A Yes, he did.

7 q And after that meeting, you and your constituency  
8 got politically involved, is that correct?

9 A Yes, we did.

10 q And there were contributions made to the  
11 governor, is that correct?

12 A I don't know exactly.

13 q Well, you understand that Prairie and other  
14 individuals contributed to Thompson after that  
15 meeting, is that correct?

16 A Yes, but I did not personally.

17 q And, to your knowledge, Thompson then had  
18 portions of the Eisenhower Expressway built in  
19 concrete, is that correct?

20 A One portion.

21 q One portion. And that was between Kostner and  
22 Independence Avenue, is that correct?

23 A Yes.

24 q And it was since that time that you became  
25 politically involved, is that right?

1 A Yes.

2 q And since that time you contributed and  
3 fundraised for various candidates, is that right?

4 A Yes.

:05AM

5 q And you and your various associations contributed  
6 to people you support, is that a fair statement?

7 A I've contributed to other people that I haven't  
8 supported.

:05AM

9 q And the biggest issue to you is road building, is  
10 that fair to say?

11 A Yes.

12 q And you contribute to politicians who support  
13 road building, is that right?

14 A Yes.

:05AM

15 q And is it fair to say when you fundraise for  
16 someone, that you will then be called back to ask to  
17 fundraise again?

18 A I -- well, I don't know what you really mean by  
19 "fundraising."

:06AM

20 q No, I'll ask it. It wasn't a really good  
21 question.

:06AM

22 Fundraising, as you understand it, is the  
23 process by raising money for a particular candidate.  
24 It's not necessarily you contributing, but it's you  
25 raising money from other people for a candidate, is

1 that correct?

2 A Yes.

3 q And that can be done in a variety of ways. It  
4 can be held at events, correct?

5 A Yes.

6 q Or just you asking various people if they would  
7 contribute, is that correct?

8 A Yes.

9 q And you've done that for a whole lot of different  
10 politicians, is that correct?

11 A Oh, no.

12 q You fundraised for other politicians before, is  
13 that correct?

14 A Very minimal.

15 q Very minimal.

16 How many?

17 A Maybe 4, 5, 6.

18 q Governor's, correct?

19 A Only one governor.

20 q You fundraised for?

21 A Yes.

22 q And you've gone to fundraisers, as well, for  
23 various politicians?

24 A Yes.

25 q And you've contributed to other politician also,



1 is that correct?

2 A You can say it that way, yes.

3 q Okay. In fact, on September 18th, 2008, you met  
4 with the governor, right?

5 A Yes.

6 q And after the meeting, you said you made a phone  
7 call to Mr. Olson, is that correct?

8 A Yes.

9 q And later that day you attended a fundraiser for  
10 State Senator Martin Sandoval, is that correct?

11 A Yes, I did.

12 q And you understood Mr. Sandoval was a State  
13 Senator in the State of Illinois, is that correct?

14 A Yes.

15 q And he was on the transportation committee?

16 A Yes.

17 q And he was on the appropriations committee?

18 A I didn't know about that but I knew he was on  
19 transportation.

20 q Now, you talked a little bit about the capital  
21 bill. You were involved in trying to promote the  
22 capital bill, is that correct?

23 A Yes.

24 q And you were on the Illinois Works Commission  
25 which was an organization set up to try to get the

1 capital bill done, is that correct?

2 A I don't even know who you're talking about.

3 q You never heard of the Illinois works Commission?

4 A Illinois Work Commission?

5 q Works.

6 A Illinois Works?

7 q Yeah.

8 A Not really.

9 q Okay.

10 Are you aware of an organization that the  
11 governor set up to try and promote the capital bill?

12 A I'm aware that he was doing things to promote the  
13 capital bill, but I really didn't know about  
14 Illinois works.

15 q Okay. And one of the things that the governor  
16 was doing was working with Danny Hastert, is that  
17 correct?

18 A Yes.

19 q And he was also working with Glen Poshard, is  
20 that correct?

21 A Yes.

22 q And this was basically a state wide effort to try  
23 and get this capital bill done?

24 A Yes.

25 q I apologize. I had the wrong term. Does the

1 Illinois works Coalition ring a bell?

2 A That's -- yes.

3 q Sorry, I used the wrong one.

4 were you involved in the Illinois works  
5 Coalition?

6 A Not directly, but I knew people involved in it  
7 that I had discussions with.

8 q And you understood the Illinois works Coalition  
9 was an organization set up by the governor to try  
10 and promote the capital bill, is that correct?

11 A That's what I heard.

12 q Okay. And that was doing work in 2008 to try and  
13 get the capital bill done, is that right?

14 A Yes.

15 q And the last time the capital bill did not get  
16 passed was in 2008, is that correct?

17 A Yes.

18 q So it passed the Senate and then didn't get out  
19 of the House, is that correct?

20 A No. No, it didn't pass the house.

21 q And do you know if it was up for a vote in the  
22 House?

23 A I don't recall that.

24 q Okay. You were involved in trying to get the  
25 capital bill done?

1 A Yes.

2 q And you promised the governor on September 18th,  
3 2008, that you would continue to work for the  
4 capital bill, is that correct?

5 A Yes.

6 q Now, you worked for Prairie Materials, is that  
7 correct?

8 A Yes.

9 q And Prairie Materials you were the vice president  
10 of, is that correct?

11 A Yes.

12 q And Prairie Materials, as late as 2006, made half  
13 a billion dollars in sales annually, is that  
14 correct?

15 A Yes.

16 MR. GOLDSTEIN: If I might have just one  
17 moment, Your Honor.

18 (Brief pause.)

19 MR. GOLDSTEIN: Nothing further.

20 MR. NIEWOEHNER: Unless Your Honor has a  
21 specific issue, there's nothing from the government.

22 THE COURT: This is your offer of proof?

23 MR. GOLDSTEIN: Yes.

24 THE COURT: Okay. And let's assume you're in  
25 closing argument, what would you make of this?

1           Actually, why don't you step down and step  
2 out for a moment.

3           (Brief pause).

4           (Witness temporarily excused and exited the  
5 courtroom and the following further proceedings  
6 were had herein:)

7           MR. GOLDSTEIN: Your Honor, Mr. Magoon,  
8 Mr. Krozel, and then we'll hear from Mr. Johnston as  
9 well, are all basically testifying that they have an  
10 understanding of certain things going on, none of  
11 them can say that the governor specifically ordered  
12 them to do fundraising in exchange for state  
13 actions.

14           THE COURT: well, that part you already got  
15 in.

16           MR. GOLDSTEIN: Correct. Correct.

17           And Your Honor heard a good cross-examination  
18 by Mr. Sorosky about an interesting word and an  
19 interpretation of that. Much of this case is based  
20 on an understanding, an understanding of people for  
21 whatever they're faults or not, had.

22           These are the same people who fundraise for  
23 other people, for other politicians, their state  
24 action always very close to their fundraising and  
25 their contributions, and these are people that don't

1 feel uncomfortable. The only difference of their  
2 level of uncomfortableness is that we have now a man  
3 on trial and we have witnesses who have been given  
4 immunity, who have been talking to the government,  
5 and talking to the U.S. Attorneys, they have a bias  
6 and motive to give an understanding because they  
7 cannot say that the governor ever said these things  
8 one in exchange for another. It all comes down to  
9 their understanding.

10 How do we test what someone's understanding  
11 is? We look at their personal experiences, because  
12 it's a very subjective thing. So subjectively, they  
13 are saying I felt pressured, I felt uncomfortable,  
14 yet these are the same people who, to just use a  
15 colloquial term, played the game. And they're  
16 involved in politics, and they fundraise, and they  
17 contribute, and their state action very close to it  
18 and they never see one for the another until there's  
19 a man on trial and they have a bias and motive to  
20 say these things.

21 That isn't necessarily my closing, I hope  
22 it's much better in closing, but my point is this is  
23 the relevance of it, Your Honor.

24 If they are exact quotes where the governor  
25 is saying this for that, you gotta pay up or you're

1 not getting that tollway plan, then there's no  
2 reason to interpret these stuff, it speaks for  
3 itself. But every single witness is giving you an  
4 interpretation, giving the jury an interpretation,  
5 and we should be allowed to question and elicit  
6 evidence as to the relevance, as to their state of  
7 mind which they're testifying to, how 900 times  
8 before it doesn't seem to be a problem, but now in  
9 this situation, oh, I'm just so pressured.

10 And we should also be allowed to elicit the  
11 pressure of, for example, with Mr. Krozel. The man  
12 felt uncomfortable going into this meeting, he felt  
13 uncomfortable going into this meeting because of  
14 personal things that were going on. The guy did not  
15 want to contribute to the governor, that's fine, he  
16 has every right not to, and that's his level of  
17 uncomfortableness.

18 THE COURT: Yeah, but the personal part of it  
19 you got in.

20 MR. GOLDSTEIN: Well, not completely. I  
21 mean, there was more to it.

22 THE COURT: And that's your argument?

23 MR. GOLDSTEIN: Correct.

24 THE COURT: Your offer of proof is not  
25 sufficient to raise that issue, so, no.

Krozel - redirect by Niewoehner

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1 Do you have anything else with him?

2 MR. GOLDSTEIN: No.

3 THE COURT: Are you going to have redirect?

4 MR. NIEWOEHNER: If I might confer?

5 THE COURT: Sure.

6 (Brief pause).

7 MR. GOLDSTEIN: Do we continue to break or --

8 THE COURT: That's the very thing I'm

9 thinking of.

10 okay, 11:30.

11 MR. GOLDSTEIN: Thank you.

12 (Recess.)

13 THE MARSHAL: All rise.

14 (The following proceedings were had in the

15 presence of the jury in open court:)

16 THE COURT: Please be seated.

17 The defense has concluded his

18 cross-examination, do you have anything further on

19 redirect?

20 MR. NIEWOEHNER: We do, Your Honor.

21 THE COURT: Okay.

22 REDIRECT EXAMINATION

23 BY MR. NIEWOEHNER:

24 q Mr. Krozel, you were just asked on

25 cross-examination about some things that the



1 defendant didn't say to you, is that right?

2 A Yes.

3 q I'm going to direct your attention to the  
4 September 18th meeting at the campaign office for a  
5 second.

6 In that meeting did the defendant indicate  
7 who had the sole power to do the 6-billion-dollar  
8 program?

9 MR. GOLDSTEIN: Objection; leading.

10 THE COURT: Overruled.

11 BY THE WITNESS:

12 A Yes, he did.

13 BY MR. NIEWOEHNER:

14 q what did the defendant say in that regard?

15 A The governor let me know that he was the person,  
16 the person that could initiate the program and carry  
17 it through and did not have to go to the House  
18 legislators to do this.

19 q Did the defendant describe or tell you that in  
20 that meeting when he was going to announce the  
21 6-billion-dollar program?

22 A He -- he told me at that particular meeting that  
23 the 6-billion-dollar program would not be announced  
24 in 2008, that it would be later.

25 q So sometime after the beginning of the year?

1 A Yes.

2 q Did the defendant tell you when he wanted you to  
3 raise money by?

4 A He wanted me to raise money by January 1st of  
5 2009.

6 q And when you wouldn't commit to raising a  
7 particular amount of money, did the defendant again  
8 bring up the 6-billion-dollar tollway program?

9 MR. GOLDSTEIN: Objection.

10 THE COURT: Are we talking about the same  
11 time and the same conversation?

12 MR. NIEWOEHNER: That's right.

13 THE COURT: Okay, there's adequate  
14 foundation. You may answer.

15 BY THE WITNESS:

16 A Would you please repeat the question.

17 BY MR. NIEWOEHNER:

18 q Sure.

19 During the meeting when you didn't commit to  
20 raising a particular amount of money, did the  
21 defendant then again return to the 6-billion-dollar  
22 tollway program?

23 A It was discussed again, yes.

24 q Did the defendant need to tell you explicitly  
25 that if you didn't raise any money, that there

1 wouldn't be any 6-billion-dollar program?

2 MR. GOLDSTEIN: Objection.

3 THE COURT: Sustained.

4 BY MR. NIEWOEHRER:

5 q Were you confused by what happened in that  
6 meeting?

7 MR. GOLDSTEIN: Objection.

8 BY THE WITNESS:

9 A Not at all.

10 THE COURT: Overruled.

11 BY THE WITNESS:

12 A Not at all.

13 BY MR. NIEWOEHRER:

14 q What did you understand the defendant wanted you  
15 to do?

16 A He wanted me to fundraise by the end of the year,  
17 and then after my fundraising was complete I believe  
18 then he would announce or not announce the  
19 6-billion-dollar program.

20 q What did you understand was going to happen if  
21 you didn't raise enough money by the end of the  
22 year?

23 A I did not think the 6-billion-dollar program  
24 would become reality.

25 q Now, you were also asked some questions about

1 what was not said during the September 24th meeting  
2 with the defendant at the My Way Restaurant, do you  
3 recall that?

4 A Yes.

5 q Did you understand you were the person who was  
6 supposed to raise this money from your conversation  
7 with the defendant at his offices?

8 A Yes, I was the person.

9 q who did you understand -- where did you  
10 understand the money was supposed to come from?

11 A Because of the deadline, I was -- I was certainly  
12 sure that it would be coming from the Illinois Road  
13 Builders.

14 q And was it, in fact, broader than the road  
15 builders? Was it the construction industry?

16 A Yes, the entire --

17 MR. GOLDSTEIN: Objection.

18 BY THE WITNESS:

19 A -- construction industry.

20 THE COURT: Overruled. The answer may stand.

21 BY MR. NIEWOEHRER:

22 q Since the defendant became governor in 2003, who  
23 was the person at Prairie who handled all requests  
24 for fundraising at Prairie?

25 A I did.

1 q You had this meeting with these two executives  
2 from Prairie, Richard Olson and Eric Matson, do you  
3 recall that?

4 A Yes.

5 q Where did those executives come from?

6 A Canada.

7 q To your knowledge, did they have any Illinois  
8 fundraising connections?

9 MR. GOLDSTEIN: Objection.

10 BY THE WITNESS:

11 A None.

12 THE COURT: Overruled.

13 The answer may stand.

14 BY THE WITNESS:

15 A None.

16 BY MR. NIEWOEHNER:

17 q Were you concerned that the defendant was going  
18 to ask Olson and Matson to do fundraising at the  
19 meeting at the My Way Restaurant?

20 MR. GOLDSTEIN: Objection.

21 THE COURT: Sustained.

22 BY MR. NIEWOEHNER:

23 q In fact, those executives, Richard Olson and Eric  
24 Matson, to your knowledge, had they ever met the  
25 defendant before?

Krozel - recross by Goldstein

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1 A No, they haven't.

2 q So this would have been the first time the  
3 defendant met both of those two people?

4 A Yes.

:50AM

5 MR. NIEWOEHNER: Nothing further, Your Honor.

6 RECROSS EXAMINATION

7 BY MR. GOLDSTEIN:

:51AM

8 q Mr. Krozel, when you met with the governor on  
9 September 18th, 2008, you brought up the idea of  
10 meeting with Mr. Olson and Mr. Matson, is that  
11 correct?

12 A That is correct.

:51AM

13 q And Rod replied, he said, if it would help you  
14 meeting with these people, he'd do it, is that  
15 correct?

16 A Yes.

17 MR. NIEWOEHNER: Objection, Your Honor.

18 THE COURT: The objection is sustained.

19 BY MR. GOLDSTEIN:

:51AM

20 q Now, you talked a little bit about when this  
21 6-billion-dollar program was to be announced, is  
22 that right?

23 A Yes.

:51AM

24 q And what Rod told you was that if no capital bill  
25 were passed, he would then go forward with the

1 6-billion-dollar program, is that correct?

2 MR. NIEWOEHNER: Objection.

3 THE COURT: The objection is sustained.

4 BY MR. GOLDSTEIN:

:52AM

5 Q Your testimony in the redirect examination was  
6 that Rod didn't give you a date when this  
7 6-billion-dollar program would be announced?

8 A It was at the beginning of the next year.

9 Q That's what you understood, is that correct?

:52AM

10 A Yes.

11 Q But he never said January 1st? He didn't give  
12 thank you date, is that correct?

13 A Somewhere down the path, I didn't -- I just  
14 didn't think that. Somewhere down the path, it was  
15 there.

:52AM

16 Q But you cannot recall if Rod ever told you a  
17 date?

18 A I'm pretty sure at one time he said the beginning  
19 of the year.

:53AM

20 Q As you testified in cross-examination, you never  
21 but that in your sworn statement, is that correct?  
22 That there was a date mentioned by Rod?

:53AM

23 A What I testified in the grand jury, I made  
24 reference, I think, to the end of the year, or  
25 something like that.

Krozel - recross by Goldstein

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1 q what you did in the grand jury is read your  
2 statement, is that correct?

3 A I beg your pardon?

4 q what you did in the grand jury was read the  
5 statement, is that correct?

6 A Yes.

7 q And in your statement that you read to the  
8 grand jury, you did not say that Rod mentioned a  
9 date for this 6-billion-dollar program, is that  
10 correct?

11 A I did not mention January.

12 q And you didn't mention a date, period?

13 A Can I see my grand jury statement?

14 q Certainly.

15 MR. GOLDSTEIN: May I approach, Your Honor?

16 THE COURT: You may.

17 (Brief pause).

18 BY MR. GOLDSTEIN:

19 q Statement of Gerald Krozel, is that the statement  
20 you looked at before?

21 (Brief pause).

22 BY THE WITNESS:

23 A I said --

24 Am I permitted to say my statement?

25 BY MR. GOLDSTEIN:



1 q The question is, did you say in your statement  
2 that Rod told you the 6-billion-dollar program would  
3 be announced in January or any date? Yes or no.

4 A In my statement I said the announcement of 6  
5 billion tollway is whether you received  
6 contributions from my industry by the end of the  
7 year.

8 q That's your understanding?

9 A Yes.

10 q Now, let me ask you the question, did Rod give  
11 you a date when the 6-billion-dollar program would  
12 be announced?

13 MR. NIEWOEHNER: Objection, your Honor.

14 MR. GOLDSTEIN: He's not answered the  
15 question, Your Honor.

16 MR. NIEWOEHNER: It's a different question.

17 THE COURT: It is a different question.

18 MR. GOLDSTEIN: He hasn't answered the  
19 question, then.

20 THE COURT: The question you wanted is  
21 whether he said to the grand jury and gave them a  
22 date.

23 BY MR. GOLDSTEIN:

24 q Did you make in your statement, did write in your  
25 statement that there was a date that Rod gave you

1 when the 6-billion-dollar program would be  
2 announced?

3 A No.

4 q But there was a date discussed during that  
5 meeting and that was when the ethics bill would take  
6 place, is that correct?

7 A Yes.

8 q And the date of the ethics bill indicated that  
9 after January 1st, 2009, contractors, people who had  
10 contracts with the state, could no longer fundraise  
11 or contribute to the governor, is that correct?

12 A Yes.

13 q Now, you said that, in essence, you were the  
14 point person for Blagojevich as far as fundraising  
15 when it came to the road builders?

16 MR. NIEWOEHNER: (Counsel standing.)

17 MR. SOROSKY: I'll rephrase the question.  
18 Apologize.

19 BY MR. GOLDSTEIN:

20 q You were the individual that Rod would talk to as  
21 far as fundraising from Prairie, is that correct?

22 A Yes.

23 q Okay. So as you understood it, if Rod wanted  
24 contributions from Prairie, he would talk to you?

25 A Yes.

1 q And in your history, you would raise funds from  
2 Prairie, as well as other people, is that correct?

3 A Yes.

4 q And Mr. Olson and Mr. Matson were the new  
5 presidents of Prairie, is that correct?

6 A Olson was the president of Prairie, Eric was the  
7 president of North America.

8 q And Rod did not ask you for contributions from  
9 Olson or Matson, is that correct?

10 A No, he just asked for contributions.

11 MR. GOLDSTEIN: Nothing further.

12 MR. NIEWOEHNER: One moment, Your Honor.

13 (Brief pause).

14 FURTHER REDIRECT

15 BY MR. NIEWOEHNER:

16 q You were talking about the executives at Prairie,  
17 is TCI Prairie the name of the company?

18 A Yes.

19 MR. NIEWOEHNER: Nothing further.

20 THE COURT: Anything?

21 MR. GOLDSTEIN: No, your Honor. Thank you.

22 THE COURT: You can step down.

23 (Witness excused.)

24 THE COURT: Next witness.

25 MR. NIEWOEHNER: May we read a statistician?

1 THE COURT: You may.

2 MR. NIEWOEHNER: (Reading:)

3 "... causing the Illinois Highway Toll Authority  
4 to spend additional funds on road building  
5 affected or had the potential to affect  
6 interstate commerce.

7 VCNA Prairie is a construction supply company  
8 that makes and distributes concrete to various  
9 road construction companies within the State of  
10 Illinois, and that customarily purchased goods  
11 and equipment in interstate commerce. If the  
12 Illinois Highway Toll Authority spent  
13 additional funds on road building, VCNA Prairie  
14 would have had additional assets available to  
15 purchase goods and equipment in interstate  
16 commerce, thus affecting interstate commerce."  
17 So stipulated?

18 MR. GOLDSTEIN: So stipulated.

19 MR. NIEWOEHNER: One additional one, Your  
20 Honor.

21 THE COURT: Sure.

22 MR. NIEWOEHNER: (Reading:)

23 "Increasing the reimbursement rates that  
24 Illinois Medicaid paid to pediatric specialists  
25 affected or had the potential to affect

:59AM

:00PM

1 interstate commerce. Children's Memorial  
2 Hospital is a Children's Hospital that  
3 customarily purchased goods and equipment in  
4 interstate commerce. If the State of Illinois  
5 increased the reimbursement rates that Illinois  
6 Medicaid paid to pediatric specialists,  
7 Children's Memorial Hospital would have  
8 additional assets available for the purchase of  
9 goods and equipment in interstate commerce,  
10 thus affecting interstate commerce."

11 So stipulated?

12 MR. GOLDSTEIN: So stipulated.

13 MR. NIEWOEHRER: Your Honor, the government  
14 will call its next witness.

15 THE COURT: Yes, but before that ...

16 You've just heard a stipulation, which is an  
17 agreement that a fact is true, although you might've  
18 thought that what they were stipulating to is a  
19 little mysterious. It isn't. One of the  
20 foundations for federal jurisdiction for hearing a  
21 case in this court rather than another court is that  
22 it involves interstate commerce under the United  
23 States Constitution and that has just been  
24 stipulated to. So that's why we did that.

25 I think it'll be a short session, but I think

Monk - direct by Niewoehner

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1 we should start.

2 MR. NIEWOEHRER: Your Honor, the government  
3 calls Alonzo Monk.

4 (Brief pause).

5 THE COURT: Face me and raise your right  
6 hand.

7 (witness duly sworn.)

8 THE COURT: Please be seated.

9 ALONZO MONK, GOVERNMENT WITNESS, SWORN

10 DIRECT EXAMINATION

11 BY MR. NIEWOEHRER:

12 Q would you state your name and spell it, please.

13 A Alonzo Monk, A-l-o-n-z-o M-o-n-k.

14 Q If you would bring the microphone down a little  
15 closer to you.

16 How old are you?

17 A 52.

18 Q where do you live?

19 A Decatur, Illinois.

20 Q what's your highest level of education?

21 A Law school.

22 Q Did you work in Illinois State government in  
23 Illinois?

24 A Yes.

25 Q In what capacity?

Monk - direct by Niewoehner

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1 A As Chief of Staff for the governor.

2 q what's your current occupation?

3 A I'm a part time consultant for a recycling  
4 company in central Illinois.

:02PM 5 q Were you charged in this case?

6 A Yes.

7 q Before you were charged, did you decide to  
8 cooperate with the government in this investigation?

9 A Yes.

:02PM 10 q Did you ultimately plead guilty of committing a  
11 crime?

12 A Yes.

13 q what crime have you pled guilty?

14 A Conspiracy to solicit a bribe.

:02PM 15 q Did you plead guilty pursuant to a written plea  
16 agreement with the government?

17 A Yes.

18 q what's your understanding of what you are  
19 required to do under that plea agreement?

:02PM 20 A Cooperate and tell the truth.

21 q what's your understanding of what the government  
22 is required to do under that plea agreement?

23 A If I cooperate and tell the truth, recommend a  
24 smaller sentence.

:03PM 25 q what's your understanding of the highest sentence

Monk - direct by Niewoehner

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1 you could face without the cooperation agreement?

2 A 5 years.

3 q what sentence do you anticipate facing with the  
4 cooperation agreement?

5 A 2 years.

6 q what's your understanding of who is ultimately  
7 going to decide what your sentence will be?

8 A The judge.

9 q what's your understanding of what happens to your  
10 agreement if you lie?

11 A It becomes null and void.

12 q Are you familiar with an individual named Rod  
13 Blagojevich?

14 A Yes.

15 MR. NIEWOEHNER: Is there a stipulation to  
16 identity?

17 MR. GOLDSTEIN: Yes.

18 BY MR. NIEWOEHNER:

19 q About when did you first meet the defendant?

20 A In August or September of 1981.

21 q How was it that you first met?

22 A He and I were both going to the same law school  
23 and met on a program abroad in London.

24 q what was -- which law school was that?

25 A Pepperdine Law School.



1 q what was your relationship like in law school?

2 A Good. Very close.

3 q Did you graduate from law school?

4 A Yes.

:04PM

5 q Did the defendant graduate from law school?

6 A Yes.

7 q what kind of law did you practice after -- or  
8 what did you do for a living after graduating from  
9 law school?

:04PM

10 A I practiced law for almost 2 years and then  
11 started working for a sports management company  
12 representing athletes and promoting events.

13 q And about when did you start working for the  
14 sports management company?

:04PM

15 A In 1986.

16 q After you stopped -- after you started working  
17 with the sports management company, did you ever  
18 again practice as a lawyer?

19 A No.

:04PM

20 q And what sorts of things did you do for the  
21 sports management company?

22 A Represented Olympic athletes, professional  
23 athletes, got them endorsement deals, negotiation of  
24 contracts, promotional events, that type of thing.

:04PM

25 q About when did you stop working as a sports

Monk - direct by Niewoehner

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1 agent?

2 A In 2000.

3 q where did you live while you were working as a  
4 sports agent?

5 A In Washington, D.C., Virginia, L.A., Boston.

6 q Did you keep in touch with the defendant over  
7 that time frame?

8 A Yes.

9 q At some point, did you start working for the  
10 defendant?

11 A Yes.

12 q About when did that begin?

13 A In early 2001 I became his general counsel in his  
14 congressional office in Washington, D.C.

15 q And what did you do in that job?

16 A Help manage the mail, make sure that the  
17 responses to constituents were being sent out on  
18 time; that type of thing.

19 q Were you practicing as a lawyer there?

20 A No.

21 q When the defendant ran for governor in Illinois  
22 in 2002, did you have a role in that campaign?

23 A Yes.

24 q What was -- what position did you have?

25 A I was campaign manager.

Monk - direct by Niewoehner

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1 q And about when did you become the defendant's  
2 campaign manager?

3 A In the middle of 2001.

4 q What were your responsibilities as campaign  
5 manager?

6 A Managed the staff, interview and hire  
7 consultants, meet with donors, meet with other  
8 elected officials, that type of thing.

9 q Did you also manage the budget?

10 A Yes.

11 q Once the defendant became governor in 2003, what  
12 position did you take?

13 A His Chief of Staff.

14 q So about when did you become Chief of Staff?

15 A In January of 2003.

16 q How long were you the defendant's Chief of Staff?

17 A Almost 3 years.

18 q About when it end?

19 A December of 2005.

20 q What were your responsibilities as the  
21 defendant's Chief of Staff?

22 A Help manage the office, manage the employees in  
23 the office, meet with elected officials, help get --  
24 help get certain issues passed in the House and  
25 Senate, attend events.

Monk - direct by Niewoehner

2700

1 q About how often would you interact with the  
2 defendant when you were Chief of Staff?

3 A Daily.

4 q Are you familiar with a school called the Chicago  
5 Academy?

6 A Yes.

7 q Where is that school located?

8 A In Chicago.

9 q How did you first hear about the Chicago Academy?

10 A It was in a meeting that I attended between the  
11 governor and Congressman Emanuel.

12 q Congressman Rahm Emanuel?

13 A Yes.

14 q Was anyone else present for that conversation?

15 A No, just the three of us.

16 q Where did it take place?

17 A In the Governor's office.

18 q About when -- and about what time period did that  
19 meeting take place?

20 A Sometime in '03 or early '04.

21 q What did Congressman Emanuel say about the  
22 Chicago Academy in that meeting?

23 A He was looking to get money from the state or get  
24 a grant from the state for the school.

25 q Did the defendant have the power to make that

1 grant of money?

2 A Yes.

3 q What was the defendant's response when  
4 Congressman Emanuel indicated he'd like the state to  
5 give grant money to the Chicago Academy?

6 A He wanted to get it done.

7 q Did you have any involvement between the Chicago  
8 Academy grant after that meeting?

9 A Yes.

10 q Did the Chicago Academy receive its grant  
11 immediately?

12 A No.

13 q Did you have further conversations with  
14 Congressman Emanuel about the Chicago Academy?

15 A Yes.

16 q And what did Congressman Emanuel indicate in his  
17 conversation?

18 A We had a telephone conversation or a couple of  
19 telephone conversations where he was calling up and  
20 finding out what the status of getting the grant was  
21 and was wondering why it was taking so long to get.

22 q And after you had those conversations with  
23 Congressman Emanuel, did you have a conversation  
24 with the defendant about the Chicago Academy?

25 A Yes.

Monk - direct by Niewoehner

2702

1 q Was anyone else present for that conversation?

2 A No.

3 q What did you say in that meeting?

4 A I wanted to find out what he wanted me to do with  
5 trying to get the grant money for the Chicago  
6 Academy. And he indicated to me he wanted me to  
7 hold off doing it until he found out how a  
8 fundraiser that Rahm Emanuel's brother was hosting  
9 was going to do before we gave -- before the state  
10 gave the grant.

11 q And when you said -- when you talked about Rahm  
12 Emanuel's brother, who did you understand that was?

13 A Ari Emanuel.

14 q What did Ari Emanuel do for a living?

15 A He was a talent agent out in Los Angeles, Beverly  
16 Hills.

17 q In the Hollywood area?

18 A Yes.

19 q Were you aware that Ari Emanuel was possibly  
20 going to do a fundraiser?

21 A Yes.

22 q What did you understand the defendant wanted you  
23 to do with respect to the Chicago Academy grant?

24 A Nothing at that point.

25 q What did you understand was going to happen if

1 you did nothing?

2 A The school would not get the money.

3 q From what the defendant said, why did understand  
4 he wanted you to wait on the grant?

5 A He wanted to see how well the fundraiser did,  
6 whether it was going to be his expectations or not  
7 before giving the money to the school.

8 q And after your conversations with the defendant,  
9 did you take any steps to get the grant to the  
10 Chicago Academy?

11 A No.

12 q At some point after that conversation, did  
13 someone else do the handling of the Chicago Academy  
14 grants?

15 A Yes.

16 q Who was that person?

17 A Bradley Tusk.

18 q What position did Bradley Tusk have?

19 A He was deputy governor for the Governor's office.

20 q And after Tusk took over that matter, did you  
21 have any further involvement with the Chicago  
22 Academy?

23 A No.

24 MR. NIEWOEHRER: I'm going to switch topics,  
25 if Your Honor would like to stop?

1 THE COURT: No, we can keep going.

2 BY MR. NIEWOEHNER:

3 q Are you familiar with a man named Tony Rezko?

4 A Yes.

:10PM

5 q About when did you first meet Tony Rezko?

6 A Sometime in late 2001 or early 2002.

7 q Did Rezko have a role with the defendant's 2002  
8 campaign?

9 A Yes.

:11PM

10 q what was his role?

11 A Primarily fundraiser.

12 q what did Rezko do for a living?

13 A He was a real estate developer, owned some fast  
14 food franchises around the area.

:11PM

15 q And in the 2002 campaign, about how much money  
16 did Rezko raise for the defendant?

17 A well over 7 figures.

18 q Was Rezko one of the defendant's top fundraisers?

19 A Yes.

:11PM

20 q After the defendant became governor in 2003, did  
21 Rezko continue play a fundraising role?

22 A Yes.

23 q Are you familiar with a man named Chris Kelly?

24 A Yes.

:11PM

25 q About when did you first meet Kelly?



1 A Sometime in 2001.

2 q Did Kelly have a role in the defendant's 2002  
3 campaign?

4 A Yes.

5 q What was his primary role?

6 A Fundraising.

7 q And what did Kelly do for a living?

8 A He owned a roofing company.

9 q Now, what did Kelly do with respect to  
10 fundraising for the defendant?

11 A He would go out and contact third-parties to try  
12 to get them to host fundraisers or just get them to  
13 make direct contributions.

14 q Did Kelly oversee fundraising for the entire  
15 campaign?

16 A Yes.

17 q Did Kelly donate money himself, as well?

18 A Yes.

19 q About how much money was Kelly responsible for  
20 raising during the defendant's 2002 campaign?

21 A Millions of dollars.

22 q In the 2002 campaign, was there anyone more  
23 important than Kelly in terms of fundraising for the  
24 defendant?

25 A Other than the governor, no.

1 q After the defendant became governor in 2003, did  
2 Kelly continue to raise funds for the defendant?

3 A Yes.

4 q From 2003 and 2004, focusing on that time frame,  
5 was there anyone more important than Chris Kelly and  
6 Tony Rezko in terms of raising funds for the  
7 defendant?

8 A No.

9 q During the transition period, after the defendant  
10 won the election as governor in November 2002, did  
11 Rezko and Kelly play any role with the defendant  
12 before he actually became governor?

13 A Yes.

14 q What role did they play in that transition  
15 period?

16 A They were making -- they were still fundraising,  
17 but they were making recommendations for people to  
18 be hired in state agencies and boards and  
19 commissions in the state and in the governor's  
20 office.

21 q And did that include some of the top positions?

22 A Yes; agency directors, general counsels, deputy  
23 directors, that type of thing.

24 q Focusing on the years 2003 and 2004, after the  
25 defendant became governor, did Rezko and Kelly

1 continue to make recommendations for government  
2 jobs?

3 A Yes.

4 q That include jobs or positions on boards and  
5 commissions?

6 A Yes.

7 q And did the defendant often appoint the people  
8 that Rezko and Kelly recommended?

9 A Yes.

10 q Did you talk with Rezko and Kelly about their  
11 fundraising efforts for the defendant in 2003 and  
12 2004?

13 A From time to time, yes.

14 q Were there times that you understood that Rezko  
15 and Kelly were obtaining transactions for the  
16 defendant in exchange for some kind of state action?

17 MR. GOLDSTEIN: Objection.

18 THE COURT: Overruled.

19 BY THE WITNESS:

20 A Yes.

21 BY MR. NIEWOEHNER:

22 q Can you give me an example of what you mean?

23 A Yeah. Prior to a fundraiser in 2003, a big  
24 fundraiser in 2003, there was a meeting where Tony  
25 indicated to -- indicated to us that he was going to

Monk - direct by Niewoehner

2708

1 go out and seek \$25,000 contributions from people  
2 who were being appointed to boards and commissions  
3 because he thought that that's what they were worth.

4 q Was the defendant present for that conversation?

5 A Yes.

6 q At times did you use your power as Chief of Staff  
7 to help Kelly and Rezko get contributions for the  
8 defendant?

9 A Yes.

10 q Focusing on 2003 and 2004, do you recall any  
11 conversations involving you, Rezko, Kelly, and the  
12 defendant about the four of you making money  
13 together?

14 A Yes.

15 q How many conversations involving you, Kelly,  
16 Rezko, and the defendant do you remember along those  
17 lines?

18 A Two.

19 q Where did those two conversations take place?

20 A One of them took place in Tony Rezko's offices  
21 here in Chicago, the other one took place at the  
22 Beverly Wilshire Hotel in Los Angeles.

23 q About when did the first meeting take place?

24 A Sometime in the summer of 2003.

25 q When did the second meeting take place?

1 A In January 2004.

2 q Do you remember what was said in those meetings  
3 specifically or generally?

4 A Generally.

5 q Who did most of the talking at those meetings?

6 A Tony Rezko.

7 q Who was present for those two meetings?

8 A It was Tony Rezko, Chris Kelly, myself, and Rod.

9 q What did Rezko discuss in those meetings?

10 A He discussed different ideas that we could pursue  
11 for the four of us to make money.

12 q About how many different ideas did Rezko discuss?

13 A It was somewhere between 8 and 10.

14 q How was the money that was going to be made from  
15 these ideas going to be divided?

16 A Equally among the four of us.

17 q As you sit here today, do you recall any of the  
18 ideas that Rezko discussed in those meetings?

19 A Yes.

20 q What do you recall?

21 A Those was one idea where he talked about  
22 acquiring an insurance company that would do  
23 business in Illinois and Las Vegas and potentially  
24 Los Angeles.

25 q Other than that insurance company -- was that

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1 insurance company going to do business for the State  
2 of Illinois?

3 A Yes.

4 q Other than that insurance company idea, do you  
5 remember any other of the ideas that Rezko bought up  
6 in his meetings?

7 A Not specifically, no.

8 q Did all of the money-making ideas that Rezko  
9 discussed actually involve the State of Illinois?

10 A No.

11 q According to what Rezko said, when would you and  
12 the defendant going to receive your share of the  
13 money from these ideas?

14 A Once the governor was no longer serving public  
15 office.

16 q Prior to that first meeting you described, were  
17 you aware that Rezko and Kelly were working on plans  
18 for the four of you to make money?

19 A Yes.

20 q How would you know that Rezko and Kelly were  
21 working on those plans?

22 A Because they wanted to have this meeting and they  
23 needed to tell me what the purpose of the meeting  
24 was before we got together.

25 q When was the first time that Kelly had mentioned

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1 the idea of making money from the state to you?

2 A It was just prior to the general election in  
3 2002.

4 q At these meetings, did Rezko or Kelly ask you to  
5 do anything in particular to help with those plans?

6 A No.

7 q Did they ask the defendant to do anything in  
8 particular to help with those plans?

9 A No.

10 q Was there any need for any particular state  
11 action in either of those meetings?

12 A No.

13 q Did you ever get any of the money from any of the  
14 ideas that Rezko discussed in those two meetings?

15 A No.

16 q Did your conversations with the defendant, Rezko,  
17 and Kelly about making money for state action stop  
18 at some point?

19 A Yes.

20 q Why did they stop?

21 A Because we were made aware that Tony was under  
22 investigation by the U.S. Attorney's Office and they  
23 just came to a stop.

24 q About when did you learn that Rezko was being  
25 investigated?

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1 A I think probably early part of 2005.

2 MR. NIEWOEHRER: Your Honor, this is probably  
3 a good time.

4 THE COURT: Okay. We will take a break.  
5 We will resume again at 1:30.

6 THE MARSHAL: All rise.

7 This court will suspend until 1:30 p.m. this  
8 afternoon.

9

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11 (Luncheon recess taken from 12:19 o'clock p.m.  
12 to 1:30 o'clock p.m.)

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:19PM



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I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT

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FROM THE RECORD OF PROCEEDINGS IN THE ABOVE-ENTITLED

7

MATTER

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/s/Blanca I. Lara

date

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Blanca I. Lara

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Date

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